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The Nation's Business

Loopholes in Canadian Company Law
Lloyd George and Canadian Policy
Tariff Revision in 1931

COMPANIES ACT SHOWS WEAKNESSES

HASTILY conceived legislation, especially when it deals with complicated and technical matters, is always a potential danger. This is shown in the Dominion Companies Act which was put on the statute books in revised form last May, and which is now indicating some serious weaknesses. One of these is dealt with in an article in this issue.

The new act apparently permits the directors of a company, having no par value shares, so to manipulate their accounts that dividends may, with impunity, be paid out of capital, which is, in the very essence of things, unsound and improper corporation finance.

No doubt other serious weaknesses in the new companies legislation will reveal themselves as it comes into practical application.

* * *

APPARENTLY the act was not given sufficient consideration by those able to interpret authoritatively its implications. The Financial Post knows of law and commerce faculties at Canadian universities, who should have been consulted in connection with this legislation, but who were never given an opportunity to express an opinion on it. Certain important associations of chartered accountants were asked for their opinion only a few days before the act was jammed through in the closing days of the session. Boards of trade were consulted but did not have time in many cases to take up the proposed changes with expert accountants.

The new government should not delay in correcting any weaknesses in the companies legislation, which is the last bulwark of protection for the investor. A step could be made now by entering into consultation with established associations of accountants, with university authorities on financial and commercial matters, and with groups and associations of business men as well as such bodies as the Investment Bankers' Association of Canada and the Stock Exchanges.

* * *

LABOR PARTY STAYS IN POWER

THE influence of David Lloyd George, Liberal leader, on the affairs of Canada is at the moment more profound than many have stopped to realize. His bargain with Labor seems to defer a British election for some time—possibly two years. It makes it very unlikely that there will be any change in the British government before the adjourned economic conference in Ottawa next year. This means that the British delegation to this Imperial tariff and preference parley will be selected by Premier Macdonald, the dominant free trade element of the labor party.

There was rising in the minds of Canadian business men a spring of hope that British protectionists and preferentialists would comprise the British delegation. From this it was adduced that a scheme of British preference, under which Canada would gain distinct benefits in British markets, would be the product of the negotiations. Lloyd George seems to have effectively prevented that. Depression and general economic discontent may swing British opinion toward the Conservatives and their protective policy but before there can be an election the government must be defeated and Lloyd George's small group can prevent such defeat if they wish. And having been paid their price they are apparently willing to keep the Labor party in power, having nothing themselves to gain and, indeed, much to lose from an election.

Canadians can not properly concern themselves in the internal politics of Britain. We may recognize that political developments there have a certain bearing upon our affairs and it may be that our affairs will, on occasion, influence politics in Britain. Whether Canada could arrive at a better understanding with a Conservative government than with a Labor government is a matter purely of conjecture.

* * *

TARIFF REVISION

WILL the revisions of the tariff begun by the Bennett government last September be abandoned for the present and left over until 1932? Innumerable rumors to this effect are in circulation at Ottawa, and throughout the industrial centres of the Dominion.

It is quite clear that a strong agitation, probably political in its origin, is under way to prevent further increases in tariff at this time, and that many powerful politicians have been converted to that view.

Sifting these rumors, it would appear that the idea of abandoning the tariff revision arose among Western Conservative members and has been preached rather thoroughly, within the party, in the East. Not a few cabinet ministers appear to have been converted. The campaign began after Mr. Bennett went overseas, has been proceeding vigorously in his absence, and has greeted him upon his return to the capital.

* * *

MR. BENNETT has never given countenance to such proposals and, judging from his past record, is not likely to do so. As far as his administration of the finance department is concerned, it may be stated definitely that the tariff revision is still on and active preparations for it are being pushed forward more

(Continued on page 2, col. 3)

SHERWIN PAINT LOWERS PRICE ON MANY LINES

Cut of 40 Cents a Gallon on Paint Announced

LOWEST IN 13 YEARS

General Downward Revision Due to Decline in Basic Commodity Requirements

From Our Own Correspondent

MONTREAL. — Sherwin - Williams Co. of Canada has effected a reduction in prices of virtually all its products—a reduction which ranges from 40 cents a gallon on standard lines of paint to a general downward revision in other lines of varnish, enamel and wall paints.

The cut is a natural reflection of lower commodity prices. It is understood that actual profits are not expected to be affected, while cheaper paint may stimulate demand to some extent.

The reduction to present prices carries paint values back to the lowest point in 13 years. Present quotations are at $3.50 a gallon; wholesale prices in 1917 were $3.30. Since that time the price has ranged from a high of $5.30 a gallon in 1920 to existing levels.

Raw Materials Are Cheap

Raw materials today are a low figure. Turpentine has declined steadily and at 60 cents a gallon registers a drop of 20 cents since the beginning of the year. In 1920 this commodity sold at $2.65 a gallon.

Linseed oil, another constituent of paint, is presently quoted at 69 cents a gallon. This compares with a high of $2.70 a gallon in 1919 and a low of 56 cents in 1914. Since that time, however, linseed has never dropped to levels as low as they are today.

White lead is at the lowest point since 1915. It is now $11.40 per cwt. compared with $20.35 in 1920 and $8.60 per cwt. in 1914. The trend of ingot lead in primary markets is held responsible for the decline in white lead prices.

Are Basic Commodities

Though these three products do not represent all the materials entering into the manufacture of paint, they are basic in nature and their decline has paved the way for a reduction in prices of finished paint.

What effect the new prices will have on earnings of Sherwin-Williams remains to be seen. The company is now filling spring bookings but it is yet too early to forecast any hazard as to operations during the current year which began on Sept. 1

It is reported, however, that sales in the fall were satisfactory. The prolonged fine weather acted in favor of the company and the general volume of business reflected the good painting season.

Purchases Raw Materials

The company confines its purchases entirely to raw materials; a factor which throws light on the recently announced price reduction. Its output includes paints, varnishes, enamels, white lead, dry colors, linseed oils, etc. In addition to 9 paint and varnish plants the company's facilities include 2 linseed oil mills, dry color works, insecticide manufacturing plant, pyroxylin lacquer plant, an oxide mine at St. Malo, Que., a power plant at Montreal, a lead corroding plant and various factories for printing and manufacturing cans, boxes, barrels and similar products.

Profits during the last fiscal year were affected by a falling off in sales and also by a necessary revaluation of raw material inventories.

(Continued on page 2, col. 6)

Ser. Stations Conserves Cash To Fight Rival

In view of the well laid plans for expansion by the Gilbert & Barker Mfg. Co. Ltd., of 187 Geary Ave., Toronto, directors of Service Stations Equipment Co. were doubtless only taking reasonable precautions when they refrained from increasing the present dividend rate of $2.60 a share in spite of the fact that the company expects to earn nearly $6 a share in 1930.

The Gilbert & Barker Mfg. Co. is a wholly-owned subsidiary of Gilbert & Barker Co. of America, which in turn is a wholly-owned subsidiary of Standard Oil of New Jersey. It is in the United States one of the largest, if not the largest manufacturer, of oil and gasoline pumps and household fuel oil burners. The Canadian company will manufacture similar lines here. The company has sold a considerable amount in Canada already, but expects large production from the new Toronto plant in 1931. The company has splendid prospects in view of the fact that the Imperial Oil Co., the largest user and distributor of oil products in Canada, is almost certain to be a customer.

Service Stations has been for several years the largest manufacturer of oil trade equipment in Canada, and the fact that it has in a few years established itself on such a strong financial foundation and acquired so large a business indicates that it will continue to be one of the principal companies, if not the principal company, in the Canadian arena. It may be pointed out that the Service Stations Equipment Co. has already invaded the United States, and has well diversified outlets for business in such companies as the Bennett Pump Corp of Michigan, Metal Wares Corp., Hoyt Wood Co., Superior Metal Products, Holden Morden, Ltd., Fess Oil Burners of Canada and the Canadian John Woods Mfg. Co.

The Crisis in Newsprint

—Causes and Possible Solutions

Present crisis in Canadian newsprint results from no single mistake by any single person, but is the result of a slow development covering the past ten years of somewhat reckless expansion and untoward efforts to govern the course of economic law.

Investors, business men, private citizens are concerned about the future of the newsprint industry in Canada. Each week for several years The Financial Post has published the week to week events in newsprint, has detailed the development of the present situation. From time to time it has reviewed the whole situation in order that broader perspectives might not be lost.

In this issue, a comprehensive summary of newsprint and its problems is given. Possible ways out are discussed. It is a lengthy article because the story is fully told. This is the most complete summary of the situation that has anywhere been published and it is up to the minute. Security holders, particularly, will find it worthy of close study.

Newsprint Industry Must Now Decide Course for Future

Choice Seems to Lie Between Merger of Principal Canadian Producers and Open Fight For Business, With Price Control Thrown in Discard

TEN YEARS' REVIEW EXPLAINS TROUBLES

By JOHN E. LANGDON
Eastern Editor, The Financial Post

MONTREAL.—Canada's newsprint industry is a product of the 20th century. Though paper had been made from rag, and later from wood, a number of years earlier, the 90's first saw newsprint in the Dominion's trade returns.

Today the industry is one of the largest in the country, both in respect to capital investment and in value of production. Operations are carried on in British Columbia, Manitoba, Ontario, Quebec, New Brunswick and Nova Scotia. Thousands of people are dependent, either directly or indirectly, upon it for a livelihood. Yet the industry is far from being in a prosperous or sound position. There is no chaos but there is a grave danger of the development of a chaotic state of affairs, which might well have a serious effect upon the economic life of the Dominion.

Developments leading up to the present state of affairs are not generally realized. Without an intensive study of the situation, it is difficult to fully appreciate the straits into which the industry has worked itself.

Advertising Aids Industry

The growth of the newsprint industry is directly attributed to the widespread use of newspapers for advertising purposes. The amount of money spent on newspaper advertising has increased from a few hundred thousands of dollars into tens of millions. The average newspaper is made up of 60 per cent advertising and 40 per cent editorial matter.

The increase in advertising lineage has meant the enlargement of papers in order to provide the readers with an equitable amount of reading matter. There has been a growth of the Sunday editions, many of them running over 100 pages per issue and consuming large quantities of newsprint.

Output Gains Steadily

Prior to the war American newsprint manufacturers were largely able to take care of domestic requirements. Yet even at that time American capitalists and publishers were beginning to look to Canada for future needs. In 1913, Canada produced 350,000 tons of newsprint, or 21 per cent of the North American total.

The war years brought on an increasing demand for newsprint. American timber limits were becoming depleted. More and more American publishers were looking to Canada for their newsprint. New mills were established here. Production grew rapidly. High prices were paid for newsprint.

In 1920 production in Canada fell just short of the 900,000 ton mark. Then came the post-war deflation period. Prices for newsprint broke. Some of the Canadian producers were caught unaware.

Overlooked Opportunity

At that period in the development of the Canadian newsprint industry, steps should have been taken to see that newsprint prices were placed on a basis returning a normal profit. This was advocated by one manufacturer, but the others disagreed. The majority wanted high prices maintained. The publisher's position was given little consideration. While the day of $100 a ton newsprint passed, a price of $75 a ton prevailed in 1924. A cut of $2 a ton was made in that year and at the beginning of 1925 newsprint was selling at $70 a ton. Prices were again reduced by $5 to $65 a ton in 1926 and this price was maintained until 1928.

Lack of Judgment

What was happening during this period? Consumption of newsprint, after a temporary halt, started upward again. Mills were operating at 100 per cent of capacity. United States production was not increasing rather it was declining, and the publishers looked to Canada for their supplies.

To say that manufacturing was carried on in a wanton way in those years, is to understate the case. Extravagance prevailed. Few companies had any idea of their costs or what was a reasonable price for their product. All they knew was that there was a market for their newsprint at a price which netted them a handsome profit.

Attracted New Mills

Naturally this state of affairs could not continue without attracting capital for the establishment of new mills. Between the post-war period and 1928, there took place a regular orgy of building. Causes contributing to this development may be divided into five divisions, namely, large profits to be realized, political, demand for paper, bankers' desire for new securities to sell, and the easiness with which timber limits could be secured.

It was a golden age for the promoter. The investing public could see nothing but the most glowing future ahead for the industry. Big profits had been made and were being made. This state of affairs would continue indefinitely. The provincial governments were eager to see their natural resources exploited, enriching their treasuries through stumpage fees and other forms of revenue. The public had money to invest. Millions of it. The bankers wanted securities.

The result of this unusual state of affairs, was the establishment of many mills, the enlarging of the capacity of plants already in operation, and the increase of the daily tonnage rating of Canadian mills from 4,599 at the beginning of 1924 to 9,342 at the middle of 1928.

Try to Limit Growth

While optimism was rife, the more level-headed executives realized that the industry was headed for trouble. The market could not continue indefinitely to absorb the additional tonnage of newsprint that was being put on the market. If the new machines were to be brought into production without due consideration of the absorption powers of the market, only one condition could result—overproduction and breaking down of the price.

Some steps were taken to head off danger. In 1927 Quebec Pulp and Paper Corp., owners of large timber limits in the Lake St. John district and operators of three groundwood mills, wanted to go ahead with the construction of a newsprint mill. Various negotiations took place, the upshot of which was that Price Bros. and Port Alfred put $3,000,000 into the enterprise and effectively blocked the attempt to establish a paper mill.

Buy in Control

Early in 1928 Bathurst Power and Paper Co. was publicly financed and plans were under consideration for increasing the output of the newsprint mills. International Paper and the other big Canadian producers got together and secured control of the class B voting stock. Development of this property has been limited.

During this golden period, Thunder Bay Paper Co. came into being, with an output which threatened to disturb the market. Abitibi Power and Paper and Canada Power and Paper secured control of this establishment. Operations have seldom been at capacity.

Obviously all the new plants could not be taken over, though through consolidations and mergers the number of independent operators was kept down. Abitibi, for example, absorbed such companies as St. Anne Paper, Murray Bay Paper and Manitoba Paper. In 1927 Price Bros. took over Donnacona Paper.

Pass United States

These moves tended to simplify control of production. But output kept increasing. In 1926 Canada passed the United States, as the world's largest producer of newsprint paper, with an output of 1,881,737 tons. Further gains were noted in 1927 and in 1928.

Capacity was increasing faster than consumption. There was a scramble for contracts. Orders for newsprint, more familiarly spoken of as tonnage, became of paramount importance. The market became very unsettled and a now-famous Hearst contract occupied the attention of producers and consumers.

Famous Hearst Contract

The Hearst contract is the equivalent of roughly one-fifth of the total United States consumption. A detailed account of how it comes to figure in the Canadian newsprint situation is necessary.

At the beginning of 1928 a new price policy was adopted by the manufacturers; that of quoting a mill price with a part of the freight to destination allowed the purchaser. This policy had its origin in negotia-

(Continued on page 12)

OGILVIE FLOUR EXPORT SALES UP THIS YEAR

Current Period Shipments Nearly Double Those of Year Ago

WHEAT PRICES HELP

Investment Account for Year is Likely to Reflect Easiness in Stock Market Prices

From Our Own Correspondent

MONTREAL.— Export shipments of Ogilvie Flour Mills Co. to date are approximately double those of the same period last year. Domestic business has been maintained and sales are holding around last year's level. The improvement in exports is a direct reflection of low prices for wheat.

It will be recalled that Canadian wheat was being undersold by other countries at this time last year, with the result that Canadian millers found difficulty in marketing their product abroad. Prices now conform with world wheat prices and millers are obtaining their share of business offering in export markets.

Has Wide Distribution

The United Kingdom is one of Ogilvie's best customers though an active business is carried on with Norway, Sweden, Finland, countries adjacent to the Mediterranean, Egypt and the West Indies. Deflation of silver values has interfered with Orient trade.

In 1928 exports to the Orient were above the average. This was due largely to the low grade crop of wheat harvested in that year from which a flour was made particularly suited to the Oriental trade. Canadian millers exported around 3,000,000 barrels to that market two years ago.

Last Crop Graded High

This year's crop, however, has graded high and is of good milling quality. This, together with low prices for wheat, has enabled Canadian millers to find a considerably better market for their flour in Europe and other countries.

Figures issued by the Dominion Bureau of Statistics prove this. For the four months ended November, exports of flour amounted to 2,967,544 barrels, as compared with 2,227,704 barrels in the same period a year ago. The month of November itself showed a good increase, exports in that month totalling 792,271 barrels as against 538,038 barrels in November, 1929.

Ogilvie Flour Mills has shared generously in the betterment in exports. While it is yet too early to hazard any definite estimate as to the outcome of operations in the fiscal year ended August 31, 1931, the outlook, judging from activities to date, may be considered encouraging.

Milling Operations Improved

It seems assured that the company will do better in its milling activities than last year. The crop year of 1929-1930 was one of the most trying in the history of the company. W. A. Black, president of the company, pointed out in his remarks to shareholders at the end of the last fiscal year, that the excessive price at which Canadian wheat was held during the fall and winter of that period made it impossible for Canadian mills to successfully compete in foreign markets and the drastic decline in prices which followed during the summer of 1930 caused serious loss to those carrying stocks of flour and grain.

This situation found a manifest reflection in the financial statement of Ogilvie Flour Mills for its last fiscal year. Earnings after bond interest and depreciation totalled $1,127,436 as compared with $2,381,741 in the previous year and $1,941,550 in the year before that. The common stock earned $13.17 a share, as compared with $29.89 a share in 1929.

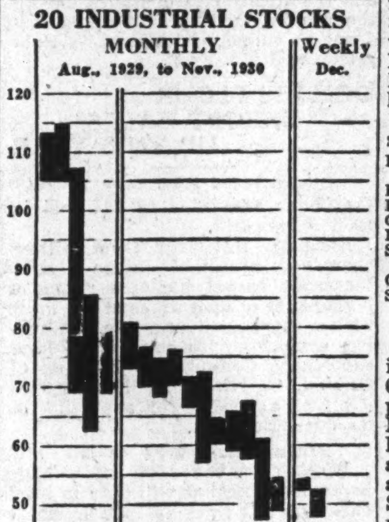
Bonus Was Reduced

This sum was sufficient to take care of the usual dividend of $8 a share to which a bonus of $5 was added, making a total distribution of $13 a share. In the previous year

(Continued on page 2, col. 4)

Stock Market

20 INDUSTRIAL STOCKS



MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of Dec. 16	52.6	48.2
Week of Dec. 9	54.3	51.9
Month of Dec., 1929	82.6	74.4
8 Bank Stocks		
Week of Dec. 16	246	241
Week of Dec. 9	246	244
Month of Dec., 1929	267	257
10 Public Utilities		
Week of Dec. 16	82	77
Week of Dec. 9	84	81
Month of Dec., 1929	103	92

Dominion Textiles Operates Its Plants Nearly at Capacity

Outlook for Increased Earnings This Year Doubtful

SALES LOWER SO FAR

Steady Improvement Should Follow as Domestic Market Absorbs Old Imports

From Our Own Correspondent

MONTREAL.—Plants of Dominion Textile Co. are operating around 90 per cent of capacity and nearly all present production is to take care of orders on hand. Sales are showing improvement, though there is reason to believe that cumulative totals to date fall below those of last year.

Improvement in operations may be considered largely due to new tariff schedules and the tightening up of anti-dumping regulations. Benefits of the new tariff, however, will probably become even more apparent in the future, as the market absorbs goods imported prior to November 20.

Increased Earnings Doubtful

While the tariff should enable the company to obtain a larger share of the domestic market than has been the case heretofore, business conditions in general militate against chances for improved earnings during the current fiscal year.

Dominion Textile Co. has nearly completed the first nine months of its current year which ends March 31 next, and it is likely that seven of these months have proven comparatively lean. While the tariff should bring about a betterment in sales it remains to be seen what the ultimate effect will be on earnings for the current year.

Per Share Earnings Improved

Last year, that is, in the twelve months ended March 31, 1930, earnings from operations showed a slight falling off but higher interest and profit on sale of investments brought total net earnings to $2,079,931, as compared with $1,976,668 in the previous year. Per share earnings on the common stock were $6.06 a share as compared with $5.66 in the previous year.

This showing was considered satisfactory in face of conditions in the textile industry which had resulted in other large cotton manufacturers in Canada recording wide decreases in profits.

Following is a comparison of sales, net earnings from operations, interest from investments and total net earnings for the past two years ended March 31:

	1930 $	1929 $
Sales	19,349,973	21,262,401
Net earnings	1,518,321	1,652,562
Add:		
Int. and profit on sale of invest.	561,610	324,106
Total net earnings	2,079,931	1,976,668

Fabric Subsidiaries Important

The increase in interest from investments was largely due to profits from operations of the two tire fabric companies, Drummondville Cottons Co. and Sherbrooke Cotton Co. These companies were busy for the greater part of the year as a reflection of the boom year in the motor car industry. Profits from this source reflected the wisdom of the parent company in diversifying its activities to include production of tire fabrics.

The present slackness in the automobile industry, however, is finding

(Continued on page 2, col. 5)

Can. Westinghouse Pays Dollar Bonus

Directors of Canadian Westinghouse Co., Ltd., have declared an extra dividend of $1 per share, to be paid on January 1, 1931, with the regular quarterly disbursement of 50 cents per share, to holders of record December 19.

Since the conversion in July, 1929, of the former common shares of $100 par value into shares of no par value, on the basis of six for one, the outstanding capitalization of the company has consisted of 540,000 common shares.

Recent reports indicate that the company's radio tube business is more than satisfactory, even necessitating overtime at the plant.

SCOTCHMEN LEAD ALL OTHER FOLK IN COMPANY LIFE

Directory of Directors Indicates North Britons Dominate Business

If anyone has any doubt as to the position of Scotsmen in the direction of Canadian business, a glance through the pages of the first issue of "The Financial Post Directory of Canadian Directors and Officials," speedily dissolves that doubt. Of the 4,100 names in this 412-page octavo volume, published this week, no less than 517, or about 12 per cent, are in the letter "M" because of the inclusion of the "mcs" and "macs."

There is a generous sprinkling of Scotch names throughout, including 19 Campbells, ten Grahams, 14 Andersons and nine Gordons, while the Frasers, numbering 18, have kept right up with the Joneses. There are 41 Smiths, but, then, some Scots claim to be "Smiths."

From Abbott to Zukor

It is a volume arranged in exact alphabetical order, and the "mcs" and "macs" come just as they do in the 'phone books. E. H. Abbott, treasurer of Stanfields, leads off, while Adolph Zukor, the United States movie magnate who is a director of Famous Players Canadian Corp., is the final entry. A. G. Baalim, a director of Canadian Western Natural Gas, holds undisputed place at the first "B" and Stephen Haas, vice-president of Canadian General Electric, is doubly sure of leader in the "H" classification.

It takes 37 lines of type to tell of the directorates of Sir Herbert Holt, president of the Royal Bank, and Sir Herbert's associate in many enterprises, J. H. Gundy, is not far behind, with 30 lines of type. But Charles Hayden, senior partner of the well-known firm of Hayden Stone & Co., interested in many Canadian enterprises, requires more than a full page, or a total of 65 lines, for the listing of his directorates in Canada and the United States.

There are eight Adams and a few eves. Not all of the eves are in minor positions; instance the case of Miss Mary Cass, who is general manager of F. N. Burt Co., and who is an executive with a number of highly-

(Continued on page 2, col. 6)

United Bond Liabilities Tower Over Puny Assets

Parent Company in Detroit Under Receivership Shows Assets Larger Than Liabilities—Manager for Subsidiary Has Long Task

Statement of affairs of United Bond Co., as filed with the official receiver, show liabilities very large and assets comparatively small. Unsecured liabilities are shown at $29,855, partly secured creditors are owed $100,943 and preferred creditors, $3,794. Contingent liabilities include $23,300 guarantees to banks, $521,549 for bonds outstanding which are guaranteed by United Bond Co. and $200,000 for United Bond Co's own debentures in the hands of the public.

Assets, as the following list will show, are not very promising:

Book debts stated by debtor to be good	$ 3,366
Book debts considered bad	22,263
Promissory notes	10,450
Cash in bank	426
Real estate	800
Surplus from securities in hand of creditors	33,319
Office furniture	1,800
Stocks and shares	800

Parent Company Assigns

The company has outstanding capital stock fully paid shown at $250,000, most of it held in Detroit. The parent company, United States Mortgage & Bond Co., also went into liquidation on April 16, 1930, with assets shown at $12,561,414 and liabilities at $10,776,240. Detroit & Security Trust Co. was made temporary receiver.

U. S. Bond & Mortgage Co. was incorporated in Michigan on Sept. 28, 1927, to succeed U. S. Bond & Mortgage Co., Ltd., a partnership association incorporated in April, 1915. Subsidiaries include United Bond Co., Ltd., of Canada, and United Bond Co. of Texas. It was engaged in the mortgage banking business in Detroit and other sections of the country. H. C. Wade was the president.

In view of the much healthier state of the assets of the parent company it appears that no substantial assets of any kind were left with the Canadian company. The Detroit company went under a receivership because a petition for voluntary dissolution was filed by a majority of its own directors who declared that the company could not conduct business at a profit under present business conditions.

Pays Stavely Coupon

Many of the buildings erected in Canada as a result of the initiative of United Bond Co. are now in difficulties. London & Western Trusts Co. has taken charge for the bondholders.

The trust company is now paying a coupon on the Stavely Apartments 6½ per cent first mortgage bonds, Coupon No. 6 for the semi-annual dividend which was due on Aug. 5, 1930. The trust company was appointed receiver and manager of this property immediately after default in payment of dividend in August last. Since that time the trust company has been in receipt of revenues, and has paid arrears of taxes. As funds accumulate another payment will be made but it is not likely to be paid before next March.

Genosha is Breaking Even

The London & Western Trusts Co., as receiver and manager for Genosha Hotel, Oshawa, will have to pay substantial tax arrears from receipts before bond interest can be paid. The hotel appears to be breaking even this winter but it is hoped that there will be an improvement in business in the spring.

Wellington Revenues Grow Slowly

Wellington Building tax arrears have not been paid as yet and present prospects of paying off what is owing and giving bondholders their

(Continued on page 2, col. 6)

KING EDWARD HAS INCREASE IN PATRONAGE

Could Meet Every Demand With 15 Per Cent Gain

CUTS COSTS SHARPLY

May Ask Debenture Holders to Take 6 Per Cent Instead of 8 Per Cent; Hotel Busier

From interests closely in touch with the affairs of the King Edward Hotel Co. The Financial Post learns that by a thorough over-hauling the management has brought the costs of operation down to the lowest point attained since pre-war days. Recent months have shown an increase in patronage, and the directors have been rendered more hopeful of the future by the double success in saving and in securing more business. It is stated from authoritative sources that if the company can secure a total of business from 15 to 18 per cent in excess of the total for 1929 it will be able to pay all expenses, taxes, depreciation, bond interest and possibly have a small margin.

Economies effected in operation, one director states, are of such a nature that the company will be able to handle much more business without costs increasing in proportion. Business on the scale of 1928, for instance,— with the present costs adjusted to such a volume—would show the company a handsome profit.

Reduce Interest Rate to 6 P. C.

Recently directors decided to defer the interest due December 1, 1930, on the "B" 8 per cent debentures, and it was stated that this action was taken in order to conserve the cash resources of the company so long as some current accounts and taxes remained unpaid and that it was considered to be in the best interests of the debenture holders and common shareholders. It was stated that a meeting of the debenture holders would be called soon to explain the action and ask endorsation. Some of the largest common shareholders are trying to devise a plan of reorganization which will meet with the approval of debenture holders and in time something will be submitted.

No plan has been yet accepted. There are outstanding $2,469,200 of "A" 8 per cent debentures and $835,700 of "B" debentures ($300,000 of "B" being in the treasury). "A" and "B" debentures have the same mortgage underlying them and the company could not be placed under a receivership without a vote of 75 per cent of both classes of debenture holders, The Financial Post is informed. As the "A" debenture interest is being paid by United Hotels Co. under its guarantee even though the interest is not earned by King Edward Hotel Co., no pressure from "B" debentures without aid from "A" is expected.

It would not be surprising if United Hotels Co., however, as a large holder of common shares should suggest to debenture holders that they accept a debenture paying 6 per cent instead of 8 per cent. This would give encouragement to United Hotels as common shareholders to do their best to increase revenue to the point where in a few years it would not only pay debenture interest but allow the common stock to share in earnings as well.

Was Originally Bonus Stock

It is pointed out in this connection that the "A" stock was given for the preferred stock of King Edward Hotel Construction Co. when that company was taken over and the "B" stock for the common stock of King Edward Construction. The addition put to the hotel in 1919 was during the most costly post-war construction period and it is stated that the common stock of King Edward Hotel Construction was to the

(Continued on page 2, col. 5)

Investors' Index

INDUSTRIALS, UTILITIES, ETC.

Assoc. Brew.	8	Int. Hdryo-Elec.	21
Algoma Steel	4	Independ. Trust	5
Alberta Grain	9	Jones Bros.	11
Algoma Central	20	King Edward	1
B. C. Tel.	5	L'Energie Ind.	20
Burns & Co	9	Lindsay, C. W.	8
Brewing Corp.	8	Loblaw Groc.	23
Belgo-Can.	9	Loews	23
B. A. Oil	11	Mtge. Discount	21
Canada Dry	5	Maple Leaf Mill.	20
Can. Cottons	21	Moirs	4
Cons. Food	19	Montreal Power	4
Can. Westinghouse	1	McColl-Front.	8
Can. Bronze	9	Municipal Service	21
Can. Steamship	9	Nat. Sewer Pipe	19
Catelli Macaroni	9	Ont. Power	5
Can. Power	9	Ogilvie Flour	1
Can. Cement	9	Pitblado	4
Can. Canners	8	Perfection Glass	8
C. P. R.	4, 9	Pub. Util. Invest.	19
Can. Hyd.-Elec.	9, 20	Quebec Power	4
Deed. Royalty Int.	9	Quinte & Trent	21
Dom. Textile	1	Royal Bank	4
Dairy Corp.	11	Sussex Prop.	5
Dairy Corp.	11, 19	Spillers	20
Div. Stan. Sec.	8	St. Law. Flour	20
Donnacona	8, 9	Sher.-Williams	1
East. Steel	11	Steel of Can.	19
Gen. Steel Wares	9	Serv. Stations	1
Gt. Brit. & Can.	9	Tor. Elevators	11
Gypsum, Lime	5	Tor. Housing	11
Int. P. & P.	8	United Grain	9
Int. Paints	20	United Bond	1
Int. Power	9	U. F. Co-oper.	5
Imperial Tobac.	9	Winnipeg Elec.	4, 20

MINES AND OILS

Abana	18	Lake Shore	13
Bwana M'Kubwa	21	Mercury	18
Big Missouri	18	Man. & East.	18
Commonwealth	18	Mill City Pets.	18
Cobalt Contact	18	Nipissing Mining	15
Can. Kirkland	15	N'Changa	18
Goldbanks Synd.	15	Sylvanite	16
Gem Lake	18	Sherritt-Gordon	21
Howe Sound	18	Tough-Oakes	18
Keeley Silver	18	Teck-Hughes	13
Kirk. Lake	15, 17	Wr Hargreaves	13
La Rose Mine	21	Wainwright	18

QUOTATIONS

Bonds	10	Mines	11
Grain	10	Stocks	10

SPECIAL FEATURES

Critical Analysis of Canadian Newsprint Situation ... 1
Kirkland Lake Supplement ... 13-17
Buying Power of Prairie Provinces ... 21
How Loblaw Groceterias Co. Is Increasing Empire Trade ... 23
Article Twelve of a Series on Invest[illegible] ... 9
An Audit of Canada: Ninth of a [illegible]

OUTLOOK GOOD FOR NEW PACT WITH AUSSIES

Trade Ministers Meet at Ottawa on Very Good Terms

BUTTER DUTY TO RISE

But New Openings For Canada's Trade With Antipodes in View—Lumber and Newsprint

From Our Own Correspondent

OTTAWA.—Negotiations between Hon. Parker Maloney, minister of markets for Australia, and Hon. Harry Stevens, minister of trade and commerce, for a new trade treaty opened auspiciously in the capital this week.

Whatever may come of the conferences, the representatives of the two countries, at the outset, were on the friendliest of terms and a sincere effort is being made by the Canadian government to discover goods which can be imported from Australia without injuring Canadian industry.

Butter Men in Fear

So friendly have been the relations between the two countries that the dairy industry in Canada became slightly alarmed and sent delegations to Ottawa immediately prior to the beginning of negotiations to insist upon adequate protection. These delegations, for the most part, left for home without any definite knowledge of what the butter tariff would be in the new treaty but satisfied that their future was safe with the government.

It is rumored that the government in the new treaty will place Australia upon an even footing with New Zealand, by making the treaty rate on butter 8 cents per lbs., with a dump duty to counteract any reduction in price brought about by the Paterson bonus — which now stands at 7 cents per lb. Even with this duty, however, the Canadian market would be capable of absorbing large quantities of Antipodean butter, at least for a few years, so that Australia and New Zealand need have no fears of being banished entirely from our market.

May Sell Us Sugar

This will be an important factor in the negotiations, it is believed. Realizing that there will be substantial imports of butter until Canadian production, under the stimulus of higher duties, increases, the Canadian government will hope to find new items of trade. These new items will include sugar, tropical fruits of all kinds, wool of a kind not produced in Canada, raisins, currants, etc., and it will be the intention of both parties to develop the new trade as rapidly as possible so that by the time butter imports fall away there will be no loss in total imports from Australia.

B. C. is Concerned

From Our Own Correspondent

VANCOUVER.—British Columbia industries are likely to be vitally affected by the proposed revision of the Canadian-Australian trade agreement which is now being negotiated by Hon. H. H. Stevens, minister of trade and commerce, and the Australian minister of trade, Hon. Parker Maloney.

British Columbia's exports of newsprint to Australia have been averaging more than $2,000,000 annually, largely as a direct result of the operations of the trade agreement. When the measure first became effective Powell River Company, the largest newsprint producer on the Pacific coast, doubled its capacity and it has since gone ahead with another large expansion programme. Pacific Mills, Ltd., Canadian subsidiary of Crown Zellerbach Corporation, has also benefitted substantially, as well as Eastern mills that have entered the Australian market.

Lumber Hopes to Benefit

The industry that hopes to benefit the most from the proposed revision is lumbering. For some reason or another lumber has never been included in Australia's preferred list with the result that United States and Baltic lumber has received a much larger share of commonwealth business. Subsidized shipping lines in the case of the Baltic countries have been chiefly responsible for this condition.

The salmon industry has always regarded Australia as an important market and hopes for a continuance of the present trade relationship under the amended agreement. More than $3,000,000 worth of canned salmon was shipped to Australia last year, and a particular effort is being made this year to make the most of Empire markets owing to the increasing competition of Japanese and Soviet salmon in foreign markets.

Alta. Wood Preserving Elects New President

Certain changes have been made in the management of Alberta Wood Preserving Co., Ltd., and the following is the new line-up of officers: R. V. Look, president; Lionel O. P. Walsh and R. D. Prettie, vice-presidents; T. L. Miller, sec.-treas.

In addition to the president and vice-presidents the following are also directors: A. E. Whitemore, Regina, Sask.; O. C. Arnott, Calgary, Alta.; and Theodore Kipp, Winnipeg, Man.

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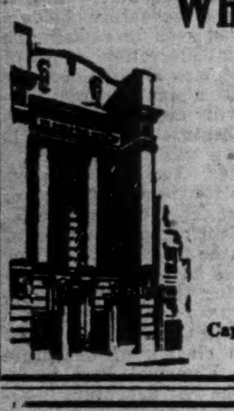

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SPECULATORS OUT OF WHEAT MARKET; NO PRICE SUPPORT

U. S. Prices Still Propped Up by Farm Board Buying

From Our Own Correspondent

WINNIPEG.—Several times during the past week the wheat market has shown indications of gathering strength, only to lose the impetus, and new lows were recorded at the beginning of this week. Fresh weakness in the stock markets, and new low prices recorded on other commodities were contributing factors.

World shipments declined this last week, possibly due to the fact that some extra heavy shipments had been made in the week ending Dec. 6, when Canada got rid of wheat and flour at the rate of nearly a million bushels a day, while the general average for Canada during this season has run slightly more than five million bushels a week.

No Speculative Buying

Some weakness in the Winnipeg market at various times has been attributed to the unwinding of spreads between Winnipeg and Chicago. Traders who bought Winnipeg wheat against sales in the latter market, in the belief that the spread between the two markets was bound to narrow were driven out of their Chicago position by continued support of the market by the United States Farm Board, and consequently let go their Winnipeg purchases. Developments south of the line, where the condition is regarded as unsound, have led to a general disinclination on the part of large traders to have anything to do with the market and the resulting lack of speculative buying appears to be one of the reasons for special weakness. It is quite possible that sales for consumption would go on just as rapid a rate were prices ten or fifteen cents a bushel higher, and the purchasers abroad would make future commitments if the market showed real signs of rising.

Australian and Argentine crops are moving to market but are still subject to further damage before threshing is completed. Consensus of opinion as to size is still lacking, but production in each country is at least fair.

Reports of contracted wheat acreage in various countries are beginning to be made, and later may have some market influence.

Uncertainty as to Pool

It is too early yet to expect decided improvement on account of recent changes in the selling of Pool wheat. Such benefits as have accrued are offset, to a certain extent so far as market changes are concerned, by continued uncertainty as to further Pool developments. The existence of a very large supply of wheat under a single control is an element of weakness in the situation that neither traders or buyers overseas allow themselves to forget. While it is expected that large amounts of Pool wheat will be gradually worked out into other hands, (and it is believed that a good deal has already been accomplished in this direction, since John I. McFarland took hold) the situation requires time to clear up.

An unusually large number of vessels are tied up empty at the head of the lakes, but there are more than twenty-five million bushels of wheat afloat for winter storage at lower lake ports, and this, in addition to filled elevators there assures plenty of grain for winter movement from Atlantic ports, in addition to wheat is to go out from Vancouver.

Coarse grain deliveries are very light, farmers preferring to hold grain rather than deliver it for nominal prices. Domestic demand is eating into the supplies of oats, but barley remains an unsolved problem.

NATION'S BUSINESS

(Continued from page 1)

vigorously now than before. These preparations are more thorough and far reaching than is commonly supposed. It is believed that within a week or two, every manufacturer in Canada will have been circularized and will have been invited to tell Ottawa exactly what he makes, and in what quantities. A complete census of Canadian production has been made and in revising the tariff Mr. Bennett, by aid of this material, will know the extent to which each item protects home production. It is true, also, that manufacturers have been consulted in regard to new duties; have been asked to indicate the source of their greatest competition; what level of duties they require. Undoubtedly they will be asked to pledge themselves to maintain consumer prices, if their tariff needs are met.

* * *

THESE preparations all point to the carrying out of the tariff revision at the next session of Parliament. And yet the propaganda for tariff stalemate, for marking time until 1932, is so pronounced that there may be some basis for the claim, so freely made, that tariff changes next year will be few and unimportant. All sorts of reasons are given why such a course would be wise, politically. It is pointed out that the West is in no mood to cheer for higher tariffs and that to proceed with revision would be to sign the death warrants of the government's members from the prairies. Then, too, the argument is met with everywhere that in view of the Empire Economic Conference to be held next August, it would be unwise to proceed. It is said, further, that any tariff changes are disturbing to business and that the present is no time to rock the boat of commerce.

On the other hand, the government is pledged to the hilt to go on with the revision. Mr. Bennett last September stated in Parliament: "There will be. if we are then living, a general revision of the tariff at the next session. Whether I undertake it or some other honorable gentleman occupying the office of minister of finance is not at all at issue; it will be undertaken by this government."

So far, at least, the rumors that the tariff revision is to be abandoned should be heavily discounted.

* * *

YET business men will be forgiven if they wonder how any scientific tariff revision can be carried out after purely department examinations of the briefs that will be submitted. Mr. Bennett scrapped the only scientific cog in his tariff-making machinery, the tariff advisory board, and has not yet replaced it. He scrapped most of the board's experts at the same time. Another budget thrown together quickly will inevitably include many such mistakes as the one made in connection with the duties on glass, will inevitably provide protection that will be the basis of exploitation as well as protection that will build up industry in Canada.

Whether or not tariff revision is carried out on an extensive scale in 1931 is less important than whether or not tariff revision, when it is carried out, will be based on all the facts, gained by thorough study.

* * *

LABOR AND MACHINERY

SPEAKING recently in Toronto, Senator Gideon W. Robertson, minister of labor, showed himself as taking a broader than ordinary view of the "displacement" of labor by machinery. The tendency of the average labor leader is to blame unemployment on the increasing use of machinery and to resist the mechanization of industry and the farm. But Senator Robertson finds no conflict between science and labor. Rather he sees that scientific effort which devises machinery capable of doing work now done by man is also devising new products that create new openings for labor. While temporarily the exact balance may be lost, eventually labor is the gainer from the application of science to industry.

Henry Ford, in his recent writings has made it very clear that labor is not displaced by machinery; that machinery increases the earning power of workers, particularly of intelligent workmen. Also, machinery, by speeding up production, reduces the amount of manual labor that is required and thus reduces the length of working hours at the same time that wages are increased. The steady reduction in the number of working hours in industrial plants and the steady rise in wages during the present century are ample evidence to support both Senator Robertson and Mr. Ford.

Discredited Pool Leaders Cling to Jobs and Bar Restoration of Confidence

Propaganda Machinery of Pools Also Continues to Function, and Beclouds Whole Issue of Farm Relief in West

From all parts of Western Canada The Financial Post continues to receive reports and letters indicating that western grain growers are thoroughly disgusted with the manner in which their monster wheat marketing experiment—the Pool—has been managed. Business houses, who naturally feel that it is up to the farmers to choose for themselves how they will market their wheat, are nevertheless much perturbed by the upset to the country's economic equilibrium that has resulted from this abortive effort of Wheat Pool officers to turn Wheat Pools into a weapon of class warfare, a weapon of economic domination, a weapon even of political purposes.

That the Wheat Pool—in the form and with the objectives it has had in the past—is through has already been emphasized in these columns on several occasions. The Pool is already in the hands of a sales dictator. That this sales dictator holds the confidence of the rank and file of the Pool member is certain, but this does not alter the fact that he was put there not by the Pool's directorates but by the Pool's creditors—the banks and the western provinces. He is proceeding to do what Pool officials have never been willing to do—sell the farmers' grain at the prices that it will bring in open competition with the world and through established and efficient channels.

Officers Are Thoroughly Discredited

Those who have run the Pools are thoroughly discredited. H. W. Wood, chairman of the Alberta Pool, A. J. McPhail, president of the Saskatchewan Pool, and Colin H. Burnell, chairman of the Manitoba Pool, and their associated directors, no longer have much to say about how its business affairs shall be run. Yet they cling to their jobs. Their policies have wrecked the Pools. By holding on to office they set up a barrier to possible reorganization on a sounder, though less pretentious basis, or to liquidation on a basis that will protect the farmers. For while it is possible to liquidate the Pools' wheat it will not be possible to completely restore confidence in the aims and purposes of the Pools either at home or abroad so long as the old group remains even nominally in charge.

Sales Dictator McFarland has closed the Pools' export sales offices and announced that the Pools are out to regain the goodwill of foreign buyers. But how can the Pools regain this goodwill, how can they completely convince the world that they no longer hold the purpose of making the world pay through the nose for Canadian wheat so long as the men who have dominated Pool affairs, who have repeatedly stated publicly that the Pools could and would control world prices, and who have been responsible for the world-wide antagonism to the Canadian wheat grower, remain securely in office? The Pool directorates and bureaucracies should resign.

Propaganda Machinery Runs Full Blast

But they do not resign. Instead they remain on the job and, while they can not direct sales policy, they still direct publicity policy. The propaganda machinery of the Pools, which has spent untold thousands of dollars of the farmers' money for political and class propaganda purposes, continues to work overtime. It is organizing public sentiment in favor of fixed wheat prices as though the whole Pool experiment has not already sufficiently demonstrated the futility of attempting to control wheat prices.

Just now the pressing need of Canada is farm relief for the West. The people of Canada are almost unanimous that the Federal Government should bend its energies at once, whatever the cost, to helping out the Western farmer. It is felt that this relief can best be extended through the machinery of the provinces, but that the Canadian taxpayer as a whole should foot the bill as they did in the case of emergency unemployment grants. But the working out of a sound relief plan is being made more difficult by two things; first by the fact that the discredited Pool directorates and propagandists are confusing the issue by their demands for guaranteed wheat prices which have nothing to do with the essential needs of the moment for cash assistance for the Western farmer and, secondly, by the fact that the three western premiers have so involved themselves in Pool affairs, as its chief propagandists and political allies, that every request or suggestion they now make is in danger of being viewed not as a plea for the Western farmer, but as an attempt to save the faces of the Pool directors and sponsors.

Pools and West Not Synonymous

For years, Pool officers and western premiers have attempted to make it appear that the Pools and the West were synonymous. This is not so and in relief measures it should be made clear that Mr. Bennett recognizes that it is not so.

The whole situation will be greatly clarified and confidence will be restored more quickly at home and abroad if the men who have brought the Wheat Pools to their present sorry position were to resign and if the western premiers, the banks and Pool members were to bring pressure to bear to shut down the Pool propaganda factories.

OGILVIE FLOUR EXPORT SALES UP THIS YEAR

(Continued from page 1)

the bonus amounted to $17 and in 1928 it was $15.

Earnings this year from milling operations are likely to be higher. Increased export business means a higher rate of operations at the mills with a consequent decrease in working expenses. Through its baking subsidiary, Consolidated Bakeries of Canada, Ogilvie Flour has assured itself of an outlet for a portion of its domestic sales.

Investments May be Hit

What part the company's large investment account will play in total earnings this year is indeterminate at the moment. Income from investments is not segregated in the financial statement.

Action of the stock market would indicate that investment account has suffered, though it was increased last year despite the break in security values. At August 31, 1930, Ogilvie Flour investments stood at $12,215,651 as compared with $10,325,071 in the previous year. It was stated that this account was still carried at a substantial figure below market quotations, notwithstanding the market slump.

Security Values Shrink Further

Since that time, however, security values have registered further shrinkage. Offsetting this, milling operations have improved, while it seems improbable that there will be any further marked decline in wheat prices to affect the company's inventory position.

Ogilvie Flour shares, as is usual in the case of high priced and closely held stocks, have been liable to wide fluctuations in the past. The highest point touched by the common was 650 in 1929; it is currently quoted around 264 bid as compared with a high for the year of 400.

Rumors Boosted Shares

The shares have been run up to high figures following rumors of stock splits, an occurrence which has not taken place since 1924. In that year the old $100 par value stock was split three for one and changed to no par value. There are presently outstanding 75,000 shares of common.

Mills of Ogilvie Flour have a total daily capacity of 72,750 barrels of flour and cereal. It owns 172 country elevators, 9 terminal elevators, warehouses, a barrel factory and a fleet of steamers, the latter is operated by the Tree Line Navigation Co., which transports the company's grain down the Great Lakes.

KING EDWARD HAS INCREASE IN PATRONAGE

(Continued from page 1)

extent of 70 per cent bonus stock for the preferred buyers. Thus, in dropping the dividend to 6 per cent, debenture holders would be only recognizing realities and bringing the rate down to a point where it could be handled.

The Financial Post is informed that there is no intention to offer "B" debenture holders an income bond or preferred stock. The two classes of debentures have to be treated together.

The opening of the Royal York Hotel in the Spring of 1929 caused a large falling off in revenue for the King Edward Hotel. The latter hotel is getting all the very large conventions because of its facilities for handling them, but the King Edward Hotel finds that its regular business outside of conventions is increasing, and also that through its connection with the United Hotels System it is also receiving conventions. The residential business is growing.

DOMINION TEXTILES OPERATES ITS PLANTS NEARLY AT CAPACITY

(Continued from page 1)

its reflection in activities of these two companies today. While it is understood that there is a fair volume of business on hand, it is reasonable to presume that operations of these subsidiaries will fall below those of last year.

Better Outlook for 1931

The next fiscal year, however, should reflect the improvement in the situation surrounding Dominion Textiles fully. The company's strong industrial position, which places it as the leader in the Canadian textile industry, will allow it to participate generously in improved business conditions in general and in the textile industry in particular.

The company has proved its ability to weather bad times, but the current fiscal year, were it not for the new tariff regulations, might present a gloomy outlook. During the late summer and early fall the company's plants operated around 50 to 60 per cent of capacity, a situation which was not conducive to high earnings.

Common Stock Fluctuates

Shares of the common stock have been liable to fluctuations during the current year. In anticipation of a favorable tariff the stock soared some 20 points to a high of 87½ in September and has since reacted to current levels of around 80, at which price it returns over 6 per cent.

There are 270,000 shares of common outstanding in addition to $1,940,600 of 7 per cent preferred stock and a funded debt which comprised $5,049,000 of 6 per cent first mortgage bonds at the end of March, 1930. This issue is being steadily redeemed through sinking fund operations. It matures in 1949.

Dividends have been paid on the common shares of Dominion Textiles Co. since 1908 without a break. The present shares represent a three for one split undertaken in 1923 and the current disbursement of $5 a share is accordingly equal to $15 a share on the old stock.

UNITED BOND LIABILITIES TOWER OVER PUNY ASSETS

(Continued from page 1)

interest at an early date are not bright. The building was never properly completed. Every time a new tenant is secured it is necssary to spend several months rent in order to put up partitions and make other changes desired. The building is now 60 per cent rented.

Queen's Park Plaza Unfinished

Queen's Park Plaza is an unfinished building. There is a lienholders' action before the Court at present and judgment is expected shortly. Aftr that it is possible that foreclosure proceedings will be pushed by the trust company either to sell the building as it stands on behalf of bondholders or make arrangements to complete it. In any case bondholders face a probable loss.

Annandale Not Complete

Annandale Court Apartments, an unfinished apartment building at Kingston, is an expense that brings no money to bondholders under present conditions. The total bond issue was for $135,000 but all the bonds were not sold and only $100,000 went into the building. The mortgagor is unable to complete it and the United Bond Co., being bankrupt, has no further money to put up. Plans are being considered to raise sufficient money to complete the building, the present bondholders taking second place. The trust company regards completion of the building as the only hope for present bondholders to get payment of principal and interest in the future.

An attempt is being made in Ontario by some Detroit men to form a protective bondholders' committee. However, there is apparently no demand and no necessity for such an extra expense in Ontario.

SHERWIN PAINT LOWERS PRICES ON MANY LINES

(Continued from page 1)

These were included in the balance sheet at marekt prices or cost, whichever was the lower, and were carried at $2,407,687 as compared with $2,297,032 in the previous year.

Carries Out Expansion

Despite the falling off in business the company made several important operating changes during the last year while others are in process of construction. Good progress is being made with the addition to the company's plant in Montreal. The steel work for the new lacquer unit has been erected and completion of the structure is expected early next year. Modern equipment will be installed with a view to lower-production costs.

Further expansion is anticipated at site of the company's new mineral deposits at Red Mill near Three Rivers. This area was acquired during the last fiscal year and the deposits there will ensure the company of a supply of iron oxide for a period of 35 years. It is understood that Sherwin-Williams has plans in mind for the erection of a plant at this spot. A large portion of this iron oxide is exported.

Increased Winnipeg Output

Output was further increased in 1930 by a rearrangement of the Winnipeg plant, formerly the Winnipeg Paint and Glass Co., and acquired in 1928. Additional machinery was installed and production was increased by about 35 per cent.

Earnings of Sherwin-Williams in the fiscal year ended August 31. 1930, revealed a decline as compared with the previous year though dividend requirements on the preferred and common shares were earned by a moderate margin.

The company has no funded debt. The 7 per cent preferred earned $18.27 a share and the common, of which there are 200,000 shares outstanding, earned $1.95 a share. Dividends at the rate of $1.60 a share are paid annually on the junior stock, together with a quarterly bonus of 5 cents bringing the total distribution up to $1.80 a share each year.

Sherwin-Williams shares have remained fairly steady in face of market depression. At present prices of around 27 the dividend on the common shares gives a return of 6.66 per cent. Present quotations are the lowest recorded this year; the stock sold as high as 39 earlier in 1930.

SCOTCHMEN LEAD ALL OTHER FOLK IN COMPANY LIFE

(Continued from page 1)

paid men executives under her. There are enough Bells for a carillon-eleven.

Is Innovation in Canada

Heretofore, there has been no volume of Canadian directorates classified according to names of individuals. The companies included are all of those the stocks of which are listed on leading exchanges, as well as the principal mining companies, insurance companies and a great many other companies in which there is public investment interest. In the majority of cases, the information as compiled has been checked by the individuals listed and information as to the private business connections of these individuals has been added.

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Study Gold Hoarding

The hoarding of gold by the United States and France as a possible cause of the present industrial depression, and suggestions for the amelioration of conditions, forms the subject of a reprint just issued by the Research Department of McConnell & Fergusson Limited, advertising agency.

The article is by an English economist, E. M. H. Lloyd, of the British Empire Marketing Board and the effect of the hoarding of gold by France and the United States is discussed in great detail.

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PERFECTION GLASS MAY CHANGE NAME, REORGANIZE STOCK

Shareholders on December 22 Will Consider 1 For 10 Offer

BOWING TO REALITIES

Financial Statement of Provincial Glass Co. is Designed to Eliminate All Water

Perfection Glass Co., which has plants in Montreal and Toronto for the warehousing, assembling and sale of glass, is asking shareholders to ratify a plan of capital re-organization, which will involve a change of name to "Provincial Glass Co. of Montreal." Shareholders are asked to accept one share of the new company for each ten shares now held of stock in Perfection Glass Co. There are now outstanding 211,612 shares of stock, upon which there is a balance owing by subscribers of $19,582. If the new plan is accepted at the meeting of shareholders called for December 22 at the Windsor Hotel, Montreal, the shareholders' equity in the new company will be represented by about 21,161 shares out of an authorized capitalization of 50,000 shares.

Capital reorganization was promised in the annual report for 1929. The need for it is not the fault of the present or preceding management, but results from the preliminary promotion when a large part of the stock of the original company was taken by the promoters in return for patents covering the manufacture of non-shatterable glass. These patents are largely responsible for the amount of $900,000 shown in the assets as "Patents at Book Value."

Non-Shatterable Venture Failed

The manufacture of non-shatterable glass, on which the stock of the company was originally sold, proved a fiasco from the standpoint of profits, and the manufacture was abandoned. Obviously these patents ceased then to have any realizable value. The 211,612 shares of no par value common stock outstanding were shown in the balance sheet on December 31, 1929, at $1,572,095. Deducting these patent values of $900,000 from the book value given the capital stock, there remains $672,095. This would show book value of little more than $3 a share on the basis of the present stock outstanding. Changes in the company's financial situation during the year, however, bring the shareholders' equity down to $506,438, equal to $23.93 per share on 21,161 of the new shares of Provincial Glass Co.

Working Capital Drops

This reorganization is chiefly a bookkeeping transaction, but it makes or places before shareholders for the first time their position in a way which enables them to get a clear view of the relation of their holdings to the assets of the company.

During the first nine months of the year the company's working capital dropped from $310,618, as at December 31, 1929, to $259,783 as of October 1. Current assets at the end of 1929 were $484,188 and on October 1 were $395,513. The principal changes were in accounts and bills receivable and investments, which dropped from nearly $223,000 to $178,512 and in merchandise inventories, which dropped from nearly $261,000 to $214,411. Cash showed improvement of about $2,000. The bank loan at $114,500 shows little change and accounts and bills payable at $21,231 compares with $49,840 at the end of 1929 and $10,000 for other loans. Mortgages at $88,000 are down $1,000 and the reserve for depreciation at $37,700 compares with $60,341 at the end of 1929.

On the assets side, fixed assets at $367,441 show an increase from $348,761 on December 31, 1929. The decision to take the head office from Toronto to Montreal doubtless follows the fact that properties in Montreal are shown at $202,504 and in Toronto at $164,937.

Position Was Improving

After abandoning the manufacture of non-shatterable and bullet-proof glass, soda water fountains, with ice mechanical refrigeration, and dropping the Canadian agency for Doleco electric refrigerators, Perfection Glass Co. now remain as a manufacturer of all kinds of flat glass, and "Kleer-Vue" counters and showcases.

The company was started by James Watt. He obtained a patent in Canada for non-shatterable glass under his own name and re-sold it to Perfection Glass Co., of which he was president, for stock. A large portion of the stock now held by the public, therefore, represents moneys paid to Watt and possibly others for these patents.

The "Kleer-Vue" patent for showcase fittings, such as metal clips, has proved more valuable to the company, but is understood to represent a comparatively small portion of the $900,000 shown in the balance sheet. This patent is believed to have another year to run. The substantial assets of the present company were obtained by the purchase of the old Toronto Plate Glass Co., and the Montreal firm of Ceramo-Vitrail, Inc., manufacturers of plate and fancy glass. During 1928 the entire layout of the Montreal plant was reconstructed and facilities of the Toronto branch were rearranged. In the previous year the entire directorate of the company was changed and new officers were appointed. Since that time Mr. Watt has not been in the company. The stock selling company, Perfection Glass Securities, was wound up in 1927.

The company showed an improving position in 1927, 1928 and 1929, the deficit from operations being reduced in that period from $142,983 to $85,480. By the new arrangement this deficit disappears from the balance sheet.

Much Business at Lower Prices

In the field where the company operates it is understood that considerable business has been done in the past season, but a price-cutting campaign has reduced profits for most of those units engaged in the industry. The placing of a tariff on glass in the September session of Parliament for a time hampered operations of this and other companies that obtain their glass from Belgium. The changing of the duty back to the old rate, however, restored the position somewhat.

An Audit of Canada

One of a Series of Frank Discussions of the Future Development of the Dominion

By FLOYD S. CHALMERS

ARTICLE NINE: COAL IN CANADA

Canada possesses one-sixth of the world's known coal. We have every type of coal in abundance except the best domestic anthracite, and even in anthracite we may have better coal than we know of. In these days of coking and of pulverizing coal, the absence of the best anthracite is not as serious as it seemed to us a few years ago, when practically every home from Halifax to Regina was heated by hard coal from Pennsylvania. We have, then, in Canada, as much coal as we need and as many varieties of coal as we need.

Blessed with such bountiful reserves of coal, we are also a very large importer not only of coal, but other forms of fuel. Our imports of coal exceed in tonnage and value our production of coal. Here is the 1929 coal picture, concise:

ANTHRACITE	
Canadian coal mined	None
Canadian coal exported	None
Canadian coal available for home use	None
Imported from United States	3,172,943 tons
Imported from United Kingdom	729,458 tons
Imported from Russia	117,404 tons
Imported from Japan	112 tons
Total imports	4,019,917 tons
Total available for consumption	4,019,917 tons
BITUMINOUS, SUB-BITUMINOUS AND LIGNITE	
Canadian coal mined	17,502,355 tons
Canadian coal exported	842,972 tons
Canadian coal available for home use	16,659,383 tons
Imported from United States	14,483,939 tons
Imported from United Kingdom	115,368 tons
Imported from Newfoundland	76 tons
Total imports	14,599,383 tons
Total available for consumption	31,258,766 tons
ALL COAL	
Canadian coal mined	17,502,355 tons
Canadian coal exported	842,972 tons
Canadian coal available for home use	16,659,383 tons
Imported from other countries	18,619,300 tons
Total available for consumption	35,278,683 tons

Coal Not Where Needed Most Acutely

That, in essence, is the national coal problem of Canada, more properly called the national fuel problem since our potential fuel sources in oil and gas and our power in our hydro-electric resources are also involved in the question.

Geography, of course, is the sticking point. Where the coal is found it is used but in these areas the demand is small. Where there is no coal at present proven up the demand is greatest. This is not the only problem. Imported fuel oil, for instance, is replacing much of British Columbia's coal in its near market. Geography is back of most of Canada's problems and we have offset the influence of geography by artificial means—tariffs, freight rates, capital investment, etc.

With this brief summary of what is well known to every business man in Canada we can better proceed to a study of coal in relation to Canadian mineral development.

Canada Has Enormous Reserves of Coal

The world's reserves of coal are estimated at 7,400,000,000,000 tons. Canada's reserves are estimated at 1,200,000,000,000 tons. About 1,100,000,000,000 tons is in Alberta.

Canada's coal is found chiefly in Nova Scotia, British Columbia and Alberta.

Nova Scotia with nearly 10,000,000,000 tons of coal in reserve, produces annually about 7,000,000 tons of coal, all of it bituminous or steam coal. Much of it is used in the local steel operations, about 3,000,000 tons per annum is shipped up the St. Lawrence, chiefly by water haul, some is used in Maritime localities and a small quantity is exported. Attempts to widen the Nova Scotia coal market have not yet been very productive. Nova Scotia would benefit from the government bonus on Canadian coal used in making coke if Ontario and Quebec coke manufacturers used it, but they do not. Nova Scotia coal has preferential freight rates. Nova Scotia's coal market will grow in time but greatly enlarged markets are not immediately in sight under present circumstances.

New Brunswick to Manitoba

New Brunswick has small coal reserves and a small annual production, which is chiefly used locally, amounting to only one-third of the local demand. Quebec produces no coal. Ontario produces no coal, but investigation of a large coal field in the far north is under way by the Ontario Research Foundation. Manitoba produces no coal.

Saskatchewan has enormous lignite beds with probably 60,000,000,000 tons in reserve. There is a moderate annual production utilized locally. Because lignite deteriorates rapidly, an attempt is being made to work out briquetting on a commercial scale. On the experiments to date judgment must be reserved.

Alberta is the richest coal province. Yet coal is not making Alberta wealthy. The industry suffers serious problems, many within and many without. The province has too many mines for the present market; the industry finds its prosperity very shifty. Some of the mines are not modern; others do not produce the best coal Alberta has to offer. Alberta considers all of the prairies to be its market. But in Winnipeg, chief industrial centre on the prairies, competition of American coal is keen. Attempts have been made to move Alberta coal to Ontario by freight rate bonuses but no success has followed these efforts yet.

Efficient mining, proper grading, temporary transportation bonuses, and salesmanship may increase Alberta's coal production greatly in the next few years. Alberta may not, however, come completely into her own until the prairies gain in population or other coal reserves begin to be worked out.

British Columbia Coal Faces Competition

British Columbia has about 75,000,000,000 tons of coal in reserve of various grades. Last year 2,500,000 tons were produced, supplying practically the entire home market and allowing for some export, about one-fifth of the total. But cheap hydro-electric power and cheap fuel oil from Southern California are competitive problems.

Thus Canada, with one-sixth of the world's coal, last year produced only 17,500,000 tons, of which 12,000,000 tons was consumed in the provinces where it was mined. There was an inter-provincial trade of only 5,500,000 tons. Our imports of coal from other countries totalled 18,500,000 tons plus over a million tons of coke, of which nearly 15,000,000 tons was bituminous coal competing directly against Canadian coal and about 4,000,000 tons was anthracite competing directly against coke that is made and might be made in larger quantities from Canadian coal.

We have tried many expedients in Canada to enlarge the Canadian use of Canadian coal. Bituminous coal is subject to a duty of 50 cents a ton. (Anthracite comes in duty free.) Subsidies are granted in the form of reduced freight charges. Government assistance has been given to briquetting plants. Bonuses are offered for the coking of Canadian coal.

Many Commissions of Enquiry

Most of these schemes have resulted from the recommendations of various commissions of inquiry, senatorial investigations, etc. The number of voluminous reports available on the Canadian coal situation is legion. On scarcely any other economic subject, related to Canada, is there more data available.

The problem is economic. Left severely alone, without governmentally-granted assistance by way of bonuses, lowered freight rates, tariffs, etc., Canadian coal output would undoubtedly grow steadily but under such circumstances the growth in output would be slow. We would continue for many years to import millions of tons of foreign coal annually and our own home coal industry would not quickly attain a position of greater importance.

There is gradually developing a national fuel consciousness in Canada which is bringing the public to the frame of mind where it will support more strenuous efforts to utiltize Canadian coal.

This is one of a series of articles designed to review in broad perspective Canada's present position in regard to the development of her natural resources. The first group of articles in this series dealt with agriculture in Canada and this group is discussing Canada's mineral industries.

FIELD CROP ACREAGE INCREASED IN 1930

Farm Livestock Gained Despite Fewer Horses and Swine

During 1930 there was an increase in the total area estimated to have been sown to the principal field crops as compared with the acreage estimated for 1929. In 1930, the acreage is estimated at 60,464,670 as compared with 59,607,034 acres in 1929 according to a report of the agricultural branch of the Dominion Bureau of Statistics.

Both fall and spring wheat showed a decrease in acreage to a total of 24,897,900 acres from the 25,255,002 acres shown for 1929. Barley dropped to 5,558,700 acres from 5,925,542 acres and buckwheat to 490,300 acres from 515,976. Alfalfa dropped to 744,000 acres from 798,951 acres. Increase was shown in all other field crops with oats up to 13,258,700 acres from 12,479,477 in 1929; rye was up to 1,448,050 acres from 991,944 acres in 1929; flaxseed to 581,000 acres from 382,359 acres and mixed grains to 1,201,400 acres from 1,118,649 acres.

The estimate of the number of farm livestock in Canada during June shows an increase over 1929 in the number of cattle and poultry while horses and swine have decreased in number. There is estimated to be 8,937,133 head of cattle in Canada as compared with 8,824,632 head in 1929 but the number of milch cows included in this total dropped slightly to 3,683,453 head in 1930 from 3,684,766 head in 1929 and calves dropped from 1,990,007 head to 1,935,091 head. Sheep and lambs total 3,696,049 head as compared with 3,635,923 head in 1929 but the number of lambs dropped off from 1,750,484 head to 1,681,263 head.

Poultry increased in total number to 60,795,169 from 59,932,963 in 1929. The increase is chiefly made up by hens while geese increased slightly and turkeys and ducks were down.

A drop is noted in the number of swine which declined to 3,999,934 from 4,381,725. Brood sows dropped to 506,865 and other live pigs to 3,493,069 from 3,844,472. Horses decreased from 3,376,487 head in 1929 to 3,295,028 head in 1930. Stallions, mares and geldings kept on the farms all showed drop in numbers while colts and fillies increased slightly.

New Brunswick Motor Revenue on Higher Level

From Our Own Correspondent

MONTREAL.—Revenue received by New Brunswick from motor vehicles for the fiscal year ended October last amounted to $1,591,220, or 21 per cent greater than the receipts from the same sources in the preceding year.

Motor vehicle license receipts amounted to $876,153 during the year, these figures being a new high mark for New Brunswick and $98,851 more than in 1929. Cash receipts from gasoline tax amounted to $714,054, of which $712,844 was tax on gasoline and $1,210, on service station.

FAIRHALL UNITS FEEL DEPRESSION IN STOCK MARKET

Second and Third Trusts Pass Dividends on Preferred

GRANT WIDER SCOPE

First and Second Diversified Allowed Larger Investment Powers

From Our Own Correspondent

MONTREAL.—Operations of the three Fairhall companies, namely, Diversified Standard Securities, Second Diversified Standard Securities and Third Diversified Standard Securities have been affected by market conditions. The first two companies have hitherto confined their investments to securities of the Standard Oil Co. and subsidiaries.

These two companies have now obtained supplementary letters patent permitting them to invest their funds in securities of all companies. The Third Diversified Standard Securities has always had this wider scope of operations.

Pass Preferred Payments

The three companies are now operating as investment trusts. The extent to which earnings have been affected is seen in recent steps taken in connection with the dividend disbursements. Preferred dividends on the Second and Third Diversified have been passed; no action has yet been taken with regard to the disbursement on the preferred stock of the First Diversified Standard, due in January.

The only common dividends of the three, which were paid by First Diversified Standard, were suspended after April, 1930, when a stock dividend of 2½ per cent was distributed. Diversified Standard Securities was the first of these companies to be formed. It was incorporated in 1927 with a capitalization consisting of $1,000,000 of eight per cent preferred stock of $25 par value, 47,081 shares of no par common and 50,000 shares of no par founders' stock.

Offered at $35 a Unit

This stock was offered to the public in units of one preference and one common share at $35 a unit. Earnings in 1929 were equal to $2.53 a share on the preferred against dividend requirements of $2, while the common earned 46 cents a share as against dividend requirements of $1.

An initial dividend of 25c was paid in January, 1929, followed by similar payments in April, July and October. The dividend due January, 1930, was passed and the dividend due April 2, 1930, was paid in stock. No others since.

Second Diversified Co.

Second Diversified Standard Securities was formed in June, 1928. Capitalization at the end of 1929 consisted of $1,831,550 seven per cent preferred stock of par value $25 paid up. In addition there were 74,559 shares of class "A" and 100,000 shares of class "B" no par value common stock issued.

The only financial statement published by this company covered a period from June 2, 1928, to Dec. 31, 1929, in which period earnings were equal to $1.63 a share on the preferred stock based on the number of shares outstanding at Dec. 31, 1929. This compares with dividend requirements of $1.75 a share. The quarterly dividend on this preferred stock was passed in October, 1930. No dividends have been paid on the common.

Third Diversified Standard

Third Diversified Standard Securities was formed in April, 1930. Whereas its two predecessors had confined their investments to securities of the Standard Oil group, this company was incorporated to carry on the business of an investment trust and to deal in all securities.

Capitalization consisted of $1,250,000 of seven per cent preferred stock, par value $25, 120,000 shares of "A" and 75,000 shares of "B" no par common stock. No financial statement has been issued to date. The preferred dividend due in January, 1931, has been passed; no dividends have been paid on other classes of stock.

DIVIDEND REDUCTION BY ASSOCIATED BREW.

Payment on Common Cut from $2 a Share Down to $1

From Our Own Correspondent

MONTREAL.—Associated Breweries of Canada, Ltd., has declared a dividend of 25 cents a share on its common stock for the quarter ending December 31, in place of the usual disbursement of 50 cents, indicating that the stock is now on an annual dividend basis of $1 as compared with $2, which has been in force since June, 1929.

While it is reported that earnings for the current year will be sufficient to take care of dividends paid in the past twelve months, the reduction anticipates a possible decline in earnings next year. A considerable number of liquor stores in Saskatchewan have been closed, with a likelihood of decreased distribution of beer in the province.

Operates Four Subsidiaries

Associated Breweries operates in Saskatchewan through the Regina Brewing Co. and Prince Albert Breweries, Ltd., while in Alberta the company operates two subsidiaries, Lethbridge Breweries and New Edmonton Breweries.

In 1929 Associated Breweries earnings were equal to $57.01 a share on the preferred stock and $3.26 a share on the common. Balance sheet position was satisfactory and an investment portfolio had been built up comprising of $206,199 of Dominion of Canada bonds, while listed stocks and bonds were carried at $452,006.

Will Conserve Cash

The company was formed in 1928. An initial dividend of 25 cents a share was paid in January, 1929, and this rate was increased in June, 1929, to place the stock on an annual basis of $2 a share.

In announcing the reduction in dividends, the company states that conservation of cash at present is important in view of possible expansion. This may refer to plans whereby a brewery may be built in British Columbia, if the company's application to operate in that province is granted.

Ore Shipments From Wabana Less This Year

From Our Own Correspondent

MONTREAL.—There was a decrease of 339,038 tons in ore shipments from the Wabana mines of Dominion Steel and Coal Corp. in 1930 as compared with 1929. The total for the season just closed was 1,177,961 tons as compared with 1,516,999 tons in 1929.

Shipments this year comprised 661,406 tons exported to Germany, 467,784 tons shipped to Sydney and 48,771 tons sent to the United States. During the year 37 steamers visited Wabana, making 120 trips in all. An equal number of steamers touched the port in 1929, but the number of trips made was 151.

Work at the mines has followed the winter programme of three days a week. In all, nine shifts were worked in December before the plant closed for Christmas on December 13.

Transportation of ore over the tramways ceased on November 28. In previous years surface haulages worked to within a week of Christmas.

LINDSAY EARNS COMMON DIVIDEND IN NINE MONTHS

All Charges Taken Care of by End of November

From Our Own Correspondent

MONTREAL.—C. W. Lindsay & Co. earned its bond interest, preferred and common dividend requirements for the fiscal year ending February 28, 1931, in the nine months ended November 30, 1930. A dividend of $1 a share is paid on the junior securities.

Since the month of December generally constitutes the busiest in the company's fiscal year, C. W. Lindsay should make a satisfactory showing, though earnings will be below those of 1929. last year earnings after all charges were equal to $6.03 a share on the common and in the previous 14 months period equalled $6.15.

Common Sells Down

Despite the fact that dividends for this year have been earned the common stock recently sold down to a low of 10 on the Montreal Stock Exchange, at which level it yields a return of 10 per cent. The high for the current year was 27.

Collections to date — a factor which plays an important part in the company's operations since the greater part of sales are made on the installment plan—have shown a gain in each month as compared with last year. Consequently liquid position is sound, the company has money out on call and a substantial block of preferred stock has been redeemed during the current years.

In addition, about $28,000 of 6 per cent first mortgage bonds have been redeemed and there is presently outstanding approximately $1,104,000. At the end of last year there was outstanding $759,600 of 6½ per cent preferred stock, as compared with an original issue of $1,200,000.

C. W. Lindsay retails pianos, organs, radios, gramophones and a wide line of other musical instruments.

New Apple Grading Course

Success attended the five-day course in apple grading—the first of its kind to be offered in New Brunswick—held by the Provincial Department of Agriculture recently at the warehouse of the New Brunswick Fruit Growers' Exchange Ltd., in Fredericton. During the season the warehouse has packed and marketed about thirty carloads of apples.

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CHRISTMAS REVERIES

We've hung the holly high for half a century and more. So we're not ashamed to say we're sentimental about Christmas. We can recall the days when lighted candles shone from every window and market sleighs tinkled their way through the deep snows of Yonge St. Gay shoppers came to our doors in cutters, muffled under Buffalo robes. And horse cars brought entire families from the far-distant villages of Yorkville and Parkdale. Those were the days when ladies carrying tiny muffs cried out their Merrie Yuletide Greetings to gentlemen who doffed seal caps with Mid-Victorian grace. Memories of those days still linger within our doors. So you'll understand why we say to you these good, old-fashioned words, "we wish you a season of great gladness." That's the way we feel about Christmas at Ryrie-Birks and we hope we always shall. + And that's what makes Christmas shopping pleasurable at Ryrie-Birks.

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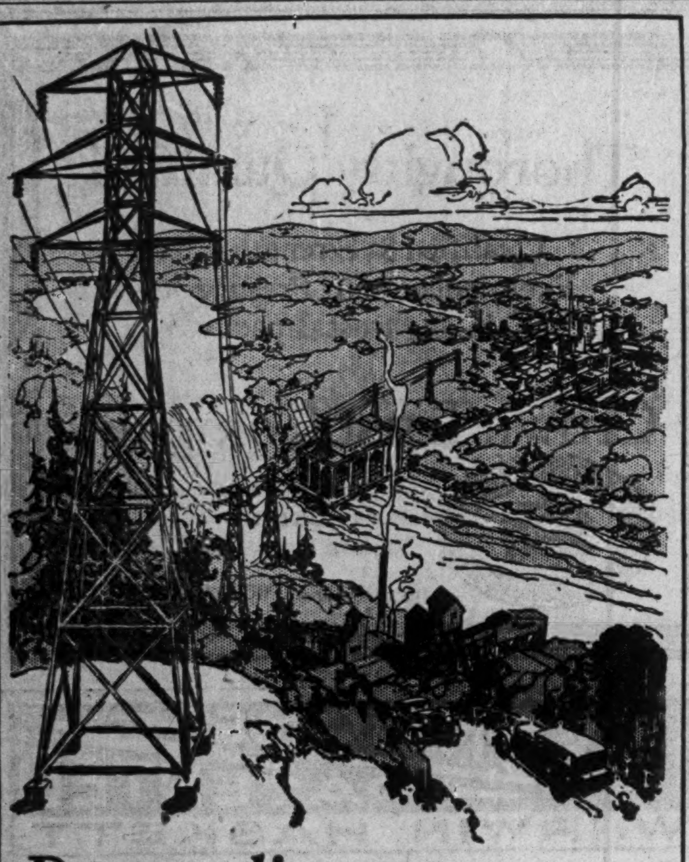

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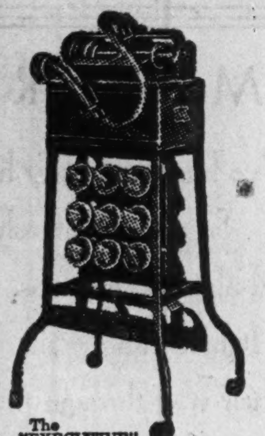

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Utilities and Transportation

HOLT SETS FORTH VIEWS ON POWER RATE IN MONTREAL

Citizens of Montreal Are Better Off Than Those in Toronto

From Our Own Correspondent

MONTREAL.—In answering an attack on power rates in Montreal, Sir Herbert Holt, president of Montreal Light, Heat & Power Cons. referred critics to a statement of municipal electric service costs in Montreal and Toronto for 1928, which showed that Montreal citizens paid $1.80 per capita against $3.57 per capita paid by Toronto for electricity for tramways, aqueduct and street lighting. Total costs to citizens were $1,855,290 and $1,985,917 respectively.

After deduction of municipal and school taxes only, paid by Tramways and Montreal Power of $1,417,211, it was pointed out that net cost of electricity of these three public services to Montreal citizens was $438,709 or 43 cents per capita as against Toronto, exempt from taxation, $1,985,917 or $3.57 per capita.

Electric Rates Reduced

Further reference was made to comparative tables showing that electric rates of Montreal Power were recently further reduced by one half cent per kilowatt hour to the present rate of from three cents to one and one half cents for quantity consumption.

Sir Herbert Holt then quoted an article in which the fact was stressed that the Toronto Tramways Commission has been unable to reduce its cost for electrical power. The total cost in 1928, including maintenance and operation of substations was $1,213,791, more than 10 per cent of the gross passenger revenue and representing a rate of approximately 1.4 cents per kilowatt hours of direct current.

Power Costs Lower

The article then shows that the privately-owned system of Montreal Tramways Co., which charges the same rates of fare as are in effect in Toronto, had an average cost for power in 1928 of 98 cents per kw.h. for direct current. That is, power for the street railway utility in Toronto costs 33 per cent more per unit than power for the Montreal system, or over $300,000 a year more than the cost would be if power were purchased on Montreal rates. Power for both systems is developed hydraulically.

Sir Herbert continued to quote from the same editorial as follows:

"In the commission's report covering the year 1929 attention is again directed to the cost of electric current, which showed an increase of $87,801.90 over the cost in 1928. It is pointed out that this important item of expense over which the commission has no control goes on increasing disproportionately as compared with all other expenses. The expenses of operation, maintenance, repairs, administration and other expenditures, exclusive of power costs, were about $222,000 less than in 1929 than they were in 1923, the year in which the commission had completed rehabilitation of the system. Yet, in the same period the expense for power increased almost 25 per cent, whereas the increase in passenger traffic was but nine per cent. While the T. T. C. does not doubt it to be the intention of the Hydro-Electric Commission to supply power at cost, it questions the correctness of the basis used for calculation of these costs. This is a matter of some importance to the citizens, and especially to the hosts of Toronto street car passengers. There should be some way of finding out facts of the cause on which the public ownership bodies concerned appear to disagree. The question is worth investigating."

MONT. POWER MOVES TO BUY LACHINE UNIT

Officials Make Valuation of Municipal System

From Our Own Correspondent

MONTREAL.—Further expansion of activities of Montreal Light, Heat and Power, Cons. is seen in a valuation of Lachine's electric distribution plant by city officials and agents of the company. The valuation is being made following an offer of Montreal Power to purchase part of the system.

The company is steadily absorbing municipal utility systems on the Island of Montreal. It recently acquired the electric lighting system of the municipality of Senneville and will furnish service at the uniform low rates in effect throughout the territories served by the company.

Was Eighth Acquisition

This made the eighth municipal electric lighting system in the district of Montreal acquired by Montreal Power in recent months. Negotiations are under way to extend the list still further.

Application of Montreal Power to the Quebec Public Service Commission for a permit to run a 25,000 volt power line from a point south of Victoria Bridge to Laprairie Boulevard, drew objections from the Quebec Highways department and the town of Laprairie on the question of pole locations.

Algoma Steel Mill Closed Down Temporarily

From Our Own Correspondent

MONTREAL.—The steel rail mill of Algoma Steel Corp. has been closed down temporarily to allow installation of additions and improvements. The mill has been operating on single shift since the middle of October.

The additions which are being made will permit production of 130 pound steel rails. Completion is anticipated in February, 1931. About $1,250,000 is involved in the expansion programme under way at the company's plants.

Public Utility Earnings

L'Energie Industrielle

October—	1930	1929
Gross Frs.	17,806,320	13,999,594
Expenses	10,431,629	9,366,830
Net	7,374,691	4,632,764
10 Mos. end. Oct. 31—		
Gross Frs.	157,652,326	120,260,656
Expenses	92,292,917	76,405,053
Net Frs.	65,359,409	43,855,603

Monterey Railway

	Gross $	Exp. includ. prov. for renewals & obsoles. $	Surplus $
3 Mos. to June 30, 1930:			
Rly. light & pr.	264,129	242,247	21,881
Water & sewage	93,949	52,194	41,754
Total	358,078	294,442	63,635
Aggre. from 1st Jan., 1930, to 30th June, 1930	712,057	594,310	117,746

C.P. Dividend To be Covered Says President

From Our Own Correspondent

MONTREAL.—Net earnings of Canadian Pacific Railway in November and December will show an increase over last year's figures. Taking railway and special income together, the company will cover its dividend requirements for 1930 by a small margin, according to E. W. Beatty, president of the road. A rather light spring traffic on the road is anticipated, to be followed by a gradual improvement.

In 1929, net earnings were $43,144,544 as compared with $51,694,452 in the previous year; net profits showed a decline of $6,835,676 at $42,227,761.

After all deductions there remained a sum equal to $11.15 a share on the common stock as compared with dividend requirements of $10. In 1928, C. P. R. common earned $14.78 a share.

The shares have been slightly easier recently and are currently quoted around 40¾ for the new stock of $25 par value.

WPG. ELECTRIC PASSES DIVIDEND ON JUNIOR STOCK

Manitoba Power Follows Example of Parent Company

From Our Own Correspondent

MONTREAL.— Winnipeg Electric Co. and its subsidiary, Manitoba Power Co., have omitted dividends on the common stock. In an official statement, Edward Anderson, president, said that the dividend was omitted due to abnormal reduction in traffic and consequent loss of revenue on the street railway, together with power shortage on the Winnipeg River and the general business depression.

This action by the directors was not altogether unexpected, as the monthly interim reports on earnings indicated a sharp falling off in revenue.

Current Revenue Off

During the first ten months of the current year, the company reported a gross income of $5,179,895 down from $5,403,856 recorded in the same period of the preceding year. During the 1930 period operating expenses declined from $3,819,716 to $3,795,350. The decrease in expenses was not sufficient to offset the drop in gross income, so that net operating income for the period was $1,384,545, or roughly $2,000,000 less than in the first ten months of 1929.

As pointed out in The Financial Post two weeks ago, last year's net earnings from operations totalled $2,346,614. To equal this sum, the company would have to report a net revenue for November and December of roughly $1,000,000. There is little likelihood of this figure being reached, hence the decision of the directors to omit the dividend.

May Sell System

There is a possibility that the Winnipeg Electric Co. will be sold to the City of Winnipeg. There is at present a motion before the city council for the purchase by the city of Winnipeg Electric and it is expected that some definite statement regarding this deal will be made before the end of the year.

It will be recalled that several weeks ago the City of Winnipeg established a committee to look into the matter of purchasing Winnipeg Electric's tramway system. The company's franchise expires in 1932 and it is necessary to give one year's notice if either party desires to give up the franchise.

ROYAL BANK RANKS AMONG FIRST TEN

Banking Institutions of British Empire Are Predominant

Of the ten largest banks in the world from the standpoint of deposits five are British and one is Canadian, the remaining four being United States institutions. Aggregate deposits held by the first ten amounted to $13,868,032,000 on September 24, 1930 as compared with $13,631,532,000 on December 1, 1929.

Chase National Bank of New York, led with deposits of $1,852,295,000 followed by Midland Bank Ltd., Lloyds Bank Ltd., Barclays Bank Ltd. and Westminster Bank Ltd. in the order named. Midland Bank was a close second with deposits of $1,827,804,000. The Royal Bank of Canada was tenth on the list with deposits of $705,781,000 as of September 30, 1930.

In comparison with the American institutions, those in Great Britain and the Royal in Canada have extensive branch banking facilities which extend throughout the width and breadth of the country.

The banks rank in the following order:

	Sept. 24, 1930
Chase National Bank, N.Y.	$1,852,295,000
Midland Bank	1,827,804,000
Lloyds Bank	1,692,139,000
Barclays Bank	1,626,262,000
Westminster Bank	1,354,086,000
National City Bank, N.Y.	1,343,942,000
National Provincial Bank	1,325,796,000
Guaranty Trust Co., N.Y.	1,180,585,000
Continental-Illinois Bank, Chicago	959,342,000
Royal Bank of Can., Montreal	*705,781,000
Total	$13,868,032,000

*September 30, 1930.

Pitblado Company Forms Plans to Meet Creditors

From Our Own Correspondent

MONTREAL.—W. E. Morgan and J. Pitblado, members of the brokerage firm which recently made an assignment, have made a proposal to creditors which suggests a dividend at the rate of 45 cents on the dollar. This plan will be presented to creditors at a meeting on December 19. It is pointed out that through acceptance of this compromise considerable litigation may be avoided and a settlement more expeditiously reached.

Port of Montreal Duties

Although only 180 passenger vessels entered the Port of Montreal in the season just closed, as compared with 204 ships last year, there was an increase of more than $7,000 in the collection of duties from passengers' baggage, according to the annual report of Joseph Belisle, superintendent of customs examiners at Montreal.

REPORT SCORES QUEBEC POWER RATE SCHEDULE

Civic Committee Advocates Public Ownership—To Refute Charges

From Our Own Correspondent

MONTREAL. — A long diatribe against Quebec Power Co. and the rates charged by it, is contained in a report prepared by a special committee and presented to the Quebec city council. The Quebec Public Service Commission also comes in for condemnation; in fact, the only good word is for public ownership.

At the moment, Quebec Power Co. has not received a copy of the report from the city council. When this is received and translated, a full reply will be made public to all charges put forward by the special committee.

Advocates Municipal System

A report states that Qeubec is over-charged for its power and that if Quebec City expropriated the distributing system and bought power for $18 a horsepower it would be able to save large sums of money each year and eventually own the plant without costing the citizens a cent.

The special committee is composed of Dr. Phillippe Hamel, dentist; Alderman Emile Bouchard and Sr. P. H. Bouchard. It was named on May 23 last and the interval has made numerous investigations and studies of municipal lighting systems in different parts of Canada.

Give Several Examples

The experiences of municipal power systems in Ottawa, Sydney, N.S., Toronto, Winnipeg and elsewhere, are quoted as examples of what can be done under public ownership. The chief engineer of the Ontario Hydro-Electric Commission is quoted in respect as to what in his opinion is a reasonable rate for domestic lighting.

Apparently little attention has been given by the committee in the economics of power production and distribution. Generalities predominate in the report. The matter of taxation of privately-owned utilities is lightly passed over; load factor in fixing rates is minimized; return on capital invested barely considered, etc.

Summary of Conclusions

Following are the conclusions of the committee, in part::

"It is useless to talk about reasonable rates in Quebec as long as we do not have a tariff comparable in all respects to the one existing in the principal Ontario cities.

"If the 'Quebec Power Company' admits it cannot profitably serve us as well as the Gatineau Power Company, a hydro-electric concern in this province supplies the cities of Ottawa, Toronto, Kingston, and Hull, yet the city of Quebec assumes the responsibility of appointing an Electricity Commission made up of three or five members that are absolutely honest. Let it obtain for this commission the powers necessary to realize at home the conditions which have prevailed in Ontario for the last 22 years.

Rates Out of Line

"Let us have our streets, dwellings, stores and offices lighted not at the rates convenient to Julian Smith or his superiors, but such as will allow a hydro-electric organization that is not over-capitalized to realize fair profits without having to pay 15 or 20 times the cost of producing the power sold.

"Let us protect our industries. Let us invite other manufacturers to settle here by offering them at least rates comparable to those in Sherbrooke and most towns in Ontario.

"Let us not allow the hydro-electric companies to attract, at our expense, the industries close to their central stations.

"In order to accumulate more considerable profits these companies naturally prefer to avoid transmitting high voltage over a long distance. So they invite the industries to settle in suitable places and our commercial future is at the mercy of the companies' greed.

Want Government Help

"Let us find a source of electric power. Let us get the Government to help us and ask it to organize new waterpowers, and let us not leave our industrial destiny and prosperity in the hands of an electricity trust.

"Those of our aldermen who would let themselves be influenced by the numerous baits that the Quebec Power can offer to obtain favor in the city council, will bear a heavy responsibility before the population of Quebec for which they may have to suffer some day.

"We wish a settlement could be effected between the consumers and the public service companies.

Municipal Control Solution

"But it is a difficult question; our investigation has shown that nowhere in Canada was it possible to obtain reasonable rates without having recourse to municipal control.

"Will the Quebec Power be an exception to the rule? This company, we are afraid, will declare itself incapable of providing electricity at the prices fixed by the Ontario Hydro-Electric Commission. We shall have to apply the forcible remedy which elsewhere has given surprising results, a remedy which has silenced forever objections as to taxes, density of population, distance of consuming point, etc. Having to face municipal ownership, a public service company has to adapt itself quietly to the conditions forced upon it by a community which has grown tired of the exactions of a trust."

New Branches in October Number Two; Nine Closed

During October, two new branches were opened by Canadian chartered banks and nine were closed leaving a total of 4,291 branches in operation at October 31. Several of the closings reported are of a seasonal character which accounts for some of the loss. Announcement was also made of the closing of seven branches during November.

A new branch was opened at Ste. Rose, Quebec by the Banque Canadienne Nationale and the Bank of Montreal opened at Oakwood and St. Clair Ave., in Toronto.

The Royal Bank closed two of its Cuban branches located at Camajuani and La Esmeralda. The Bank of Montreal closed its branches at High River, Sask., and a sub-branch at Metis Beach, Quebec; the Provincial Bank closed sub-branches at Plage Laval and St. Fulgence, Quebec; the Imperial Bank closed a sub-branch at Rockfort Bridge, Alta., and a branch at Welland South, Ont., while the Dominion Bank closed its branch at Centre Island, Toronto.

In November, the Canadian Bank of Commerce closed its branches at Gray, Sask., and Chicoutimi, Quebec, while the Bank of Montreal closed Saskatchewan branches at Fir Mountain, Flintoft, Frobisher, Frontier and Goodeve.

MOIRS COMMENCE WORK ON ADDITION TO HALIFAX PLANT

New Warehouse Will Help Increase Output of Factory

From Our Own Correspondent

MONTREAL.—Work has been started on a new three-story warehouse of Moirs, Ltd. at Bedford, N.S. The work is part of a $180,000 expansion programme which is being carried out this year.

The company is steadily enlarging its manufacturing operations. During the current year construction of a new building for the service department has been completed, together with a modern bread and cake bakery and also a substantial increase in mill room facilities for grinding chocolate.

Doubled Plant Capacity

Further, in 1929 an addition was added which doubled plant capacity from 50,000 pounds of chocolate and confectionery products to about 100,000 pounds. The company's bakeries have a capacity of 11,000 loaves of bread, 2,500 pounds of cake and 5,000 pounds of biscuits a day.

While no figures have been published during the current year it is expected that earnings for 1930 will compare favorably with those of last year.

Earned $4.25 a Share

In 1929 net earnings were $273,959. After all deductions there remained a net profit of $64,323 or the equivalent of $4.25 a share. Capitalization consists of $1,324,000 6½ per cent first mortgage bonds and 15,133 shares of no par common stock.

Up to date the company has not made any distribution on the junior security. Though earnings have been sufficient to justify declaration of a dividend, the management has followed the policy of ploughing back earnings. The average during the past four years has been about $3.75 a share on the common which rate should be maintained in 1930.

Barclays to Open Branch in Toronto on January 5

From Our Own Correspondent

MONTREAL.—Barclays Bank (Canada) will open its first Canadian Branch office in Toronto on January 5. An official statement to this effect has been given out and business houses of Toronto informed that banking business of every description will be conducted, including savings accounts, current accounts and foreign transactions. T. A. Lissaman will be manager of the new branch.

The first office of Barclays Bank in Canada was opened in Montreal just over a year ago. Property for the Toronto branch was bought a number of months ago. At first it was planned to open the branch in October, but plans were delayed. It is understood that Barclays will open up next in Winnipeg; once the Toronto branch is on a sound footing.

Walkerville - East Windsor Water Commission

5½% Bonds
Due June 30th, 1935-46

Principal and half-yearly interest payable in Walkerville, Toronto and Montreal. Denominations: $1,000 and Odd Amounts.

These Bonds are a direct, joint and several liability of the Town of Walkerville and the City of East Windsor and are a special charge upon the system which also serves a portion of the Town of Riverside and the more thickly populated area of the Township of Sandwich East.

Price: Rate to yield 5.10%.
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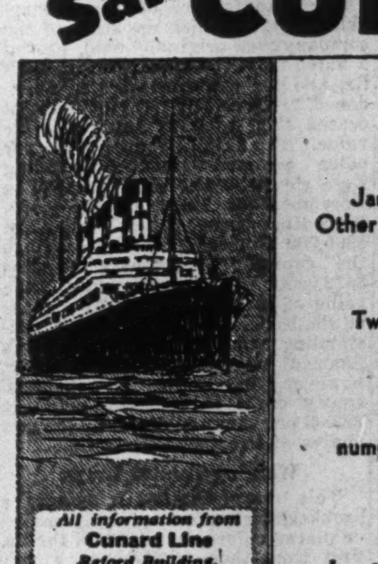

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With Tubes $229

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News of Investment Markets

GYPSUM, LIME CONSERVES CASH BY DIVIDEND CUT

New Rate 80 Cents Per Annum—Position Sound

From Our Own Correspondent

MONTREAL.—Conservation of its cash resources, is seen in the action of Gypsum, Lime and Alabastine, Canada, Ltd. in placing the common stock on a 20 per cent quarterly dividend basis. This compares with the former rate of $1.50 per annum, which rate was put into effect on October 1, 1929.

Following a meeting of the directors in Montreal it was announced that the company's cash position is the strongest it has ever been, with current assets exceeding current liabilities in the ratio of seven to one. There are no bank loans.

Nathanson on Board

An interesting development at the meeting was the election of N. L. Nathanson to the board. Mr. Nathanson was formerly associated with Famous Players Canadian Corp., in which organization he was managing-director for a number of years. Prior to transfer of control of this company to Paramount Publix, Mr. Nathanson resigned.

The announcement of the cut in dividend was not unexpected, as the interim reports on earnings for the first seven months of the year indicated that such a step would be taken unless a marked improvement took place before the end of the year.

In a letter to shareholders on October 3, R. E. Haire, president, stated that, while sales for eight months were down slightly, profits for the eight months were sufficient for charges and the then rate of dividend.

Early Earnings Off

Between January and the end of July last, the company reported gross revenue of $400,689. After taking care of depreciation and depletion, as well as income taxes, there remained a net profit of $192,658. This compared with a corresponding figure of $963,320 and $711,017 for the full years of 1929 and 1928, respectively.

Following the publication of the interim statement it was pointed out by The Financial Post that interest charges on the first mortgage bonds, including the latest issue for a quarterly period, would total over $150,000. In addition, there is the interest charge on Standard Lime bonds totalling $36,000, or an aggregate charge of $186,000. This does not include any interest on a special loan of $700,000, shown in the balance sheet of December 1, 1929, and since retired.

Furthermore these figures do not take into consideration sinking fund requirements on the bonds, amounting to 2½ per cent of all bonds issued, plus an amount equivalent to interest on bonds previously retired through the sinking fund.

On the basis of estimated earnings for 1930, namely, $850,000, it is doubtful if Gypsum, Lime and Alabastine will do more than cover the new dividend requirements. It is even possible that this amount will not be fully met, but that the present rate is put in force in the belief that business will pick up next spring and that the 80-cent rate will be maintained without trouble.

N. Y. Pressure Lowers Stock Levels in Canada

Canadian stock exchanges have been subject to severe pressure for a fortnight because of developing weakness in New York. Conversely an improvement in conditions of security markets outside Canada would be followed by greater strength and rising prices here. Such improvement is not in immediate evidence at New York although the present decline is due to special influences and not to be regarded as a sign that the stock market is forecasting a prolonged continuation of the business depression.

In New York City, old traders expect to see liquidation for the purpose of establishing losses on Federal income tax returns, and this movement has been larger than ever this year. Many others have sold short, expecting to take advantage of declines to get their securities cheaper. Trading confidence was further weakened by the suspension of payments by the Bank of the United States and by smaller banks failing elsewhere. Fear of further failures was in the air and liquidation by institutions of bonds and other securities in order to make their position more liquid for expected calls had also its effect.

Upward Climb in 1931

The business depression has already extended longer in the declining phase than in those that came in 1913-14 just before the great war and in 1920-21 a few years after. The upward climb should therefore begin in 1931.

Psychology is playing an unusually large role in the present movement. People know that quarterly returns for the last quarter of 1930 and for the first quarter of 1931 are going to show losses for many companies. Substantial investment accumulation is, of course, going on both in Canada and the United States on every declining market, but the speculative purchases for appreciation are easily discouraged so long as liquidations to correct individual situations which need adjustment keep coming.

The policy steadily advocated by The Financial Post to buy carefully selected stocks on recessions still holds good. Many stocks are at low levels because of necessitous selling and not because their intrinsic worth is low. In Canada the foundation for recovery is being laid by increasing savings deposits and greater ease in money. In buying stocks the same advice still holds that there is no reason to show haste. Buying on every recession will eventually place the buyer of carefully selected stocks in a good position. But funds should also be held for later opportunities.

BOND PRICES FOLLOW TREND OF STOCK MART

Chief Losses Are Shown in Industrials; High Grades Resistant

Bond prices, in common with stock prices, have suffered during the past week or ten days. Canadian bonds have been adversely affected by the fact that the New York bond market had serious reverses which brought prices to the low point for the year and, while Canadian prices have not declined to the same extent there has been a decided shrinkage in quotations in all issues and particularly in industrial issues which have been none too strong at best during 1930.

In some degree the break in the New York bond market is charged to the failure of the Bank of the United States in New York City as well as the selling of bonds by the smaller banks in order that they may maintain a liquid position. While there has been some forced selling of bonds and a resultant weakening of prices, the major cause of the break is laid to fundamental conditions. The Dow-Jones combined average for 40 representative bonds dropped to 93.04 on December 12, a new low point for the year and has since declined further. The high mark for the year, as shown by the same average, was on October 1, when the index stood at 97.70.

High Grades Hold

A comparison of traders' bid prices on representative Canadian issues on December 16 as compared with prices prevailing at the end of the first week in October shows Dominion tax exempt bonds off but slightly with the exception of the 5½'s of 1937 which are down a full point. Dominion issues that are taxable have held steady on the whole, while Dominion guaranteed bonds are from one to one and a half points down. The Western provincial issues have lost from four to five points and the other provinces two to two and a half points. Industrial issues, none too strong during the current year have lost from three points upward.

Canadian bond prices started to slip during the second week of October after first-grades had reached a high point for the year. Ground was lost all during October but some stability was more apparent during November, while in some quarters it was felt that there was some sign of strength becoming apparent early in the current month. This change is reflected in traders' bid prices on 37 representative Canadian issues.

Trend Showed Strength

On November 24 in comparison with prices of the week previous, there were 19 losses, 16 bonds holding firm and but two gains. On December 2, eight issues showed gains over the previous week, 23 were the same and there were six that lost ground. By December 9, the list showed 14 gains, no losses and 23 holding the same position, but on December 16, after a week of declining prices, there were 24 losses to two gains and 11 that remained at the same level. The two issues that moved up in contradiction to the general trend for the week were the Dominion 5½'s of 1933 and Montreal Tramways 5's of 1941. The latter gained a full point, while the former was up five cents per $100.

U. F. CO-OP. HOLDERS DEMAND DIVIDENDS

Annual Meeting Not Love Fest as Loss is Discussed

At the annual meeting of United Farmers Co-operative Co., held on December 9, 1930, it was recommended by the management that the dividend of 65 cents, declared in 1929, be passed. Shareholders, however, voted by a large majority in favor of a motion requiring the payment of the dividend.

Dissatisfaction was expressed in regard to the loss of $39,903 sustained by the purchase of grain futures, and a resolution was passed condemning grain option trading by the company's officials on the company's behalf.

A number of changes were made in the board of directors, this now consisting of W. A. Amos, Palmerston, Ont., president; R. J. McMillan, Seaforth, Ont., vice-pres.; Carl Jones, Port Stanley, Ont.; R. J. Aitcheson, Chatsworth, Ont.; Harold Currie, Strathroy Ont.; H. A. Gilroy, Alvinston, Ont.; Neil MacKay, Ripley, Ont.; Bruce McNevin, Omemee, Ont.; and Alva Rintoul, Carleton Place, Ont.

H. B. Clemes remains as general manager and J. J. Morrison, secretary-treasurer, while Carl Jones has been added to the list of officers.

Bond Sales

CITY OF ST. HYACINTHE, QUE.

C. H. Burgess & Co. has been awarded $170,750 serial 5's of the city of St. Hyacinthe, Quebec, at 99.17; cost basis 5.07 per cent. The average maturity of the issue, which is divided into several blocks, is 19½ years. Bids are reported as follows:

1 C. H. Burgess & Co.	99.17
2 Bell, Gouinlock & Co., and Mead & Co.	99.10
3 Gairdner & Co.	98.823
4 A. E. Ames & Co., Royal Bank	98.81
5 Credit Anglo-Francais	98.77
6 McLeod, Young, Weir & Co.	98.52
7 Wood, Gundy & Co.	98.50

LES SYNDICS DE LA PAROISSE DE ST. GERMAIN D'OUTREMONT

Nesbitt Thomson & Co. has been awarded $332,000 5 per cent debentures of Les Syndics de la Paroisse de St. Germain d'Outremont at 96.75; cost basis approximately 5.31 per cent. Of the total $150,000 matures in 1961 and $182,000 is in serial installments. Bids reported for the issue are as follows:

1 Nesbitt, Thomson & Co.	96.75
2 Ernest Savard & Co., Rene T. Leclerc, Credit Anglo-Francais	95.56
3 Wood Gundy & Co., Societe de Placements	94.77
4 Hanson Bros. Inc.	94.545
5 L. G. Beaubien & Co.	94.03

KENORA GENERAL HOSPITAL, GUARANTEED BY TOWN OF KENORA

H. R. Bain & Co. has been awarded $30,000 6 per cent 15-installment debentures of the Kenora General Hospital which are guaranteed by the Town of Kenora. The successful bid for the issue was 101.38 and the cost basis 5.79 per cent. Bids were as follows:

1 H. R. Bain & Co.	101.38
2 Harris, McKeen & Co.	101.26
3 C. H. Burgess & Co. (2 weeks option)	101.50

VILLAGE OF TWEED

Bell, Gouinlock & Co. was awarded $99,150 5 per cent and 5½ per cent 20-year and 30-year installment debentures of the Village of Tweed on December 16, at 102.76; a cost basis of approximately 5.14 per cent. Tenders were originally called for December 10 and Matthews & Co. was awarded the issue on a bid of 99.117. There were nine other bids. Terms of the original call were changed by the town and were not acceptable to the successful house. Tendering houses all were given the option of bidding on the new terms but only four bids were entered and Bell Gouinlock & Co. was successful.

The total of $99,150 is divided as follows: $12,000 5 per cent 20-installments, $13,000 5 per cent 30-installments and $74,150 5½ per cent 30-installments. Bids for these debentures were as follows:

1 Bell, Gouinlock & Co.	102.76
2 H. R. Bain & Co.	102.71
3 A. E. Ames & Co.	102.14
4 Matthews & Co.	101.00

DALHOUSIE, N.B.

Gairdner & Co. has been awarded $40,000 5 per cent 20 and 40 year debentures of the town of Dalhousie, N.B., on a bid of 98.12; cost basis 5.12 per cent. Other bids for the issue have not been reported.

TOWN OF DUNDAS, ONT.

Dominion Securities Corp. has been awarded $32,400, 5 per cent, 15 installment debentures, dated Jan. 1. 1931, at a price of 99.40; cost basis 5.08 per cent. Bids are reported as follows:

1 Dominion Securities Corp.	99.40
2 Harris, McKeen & Co.	99.00
3 Wood, Gundy & Co.	98.90
4 Bell, Gouinlock & Co.	98.63
5 C. H. Burgess & Co.	98.62
6 Gairdner & Co.	98.52

SUSSEX PROPERTIES BONDS ARE OFFERED

Will Finance Acquisition of Toronto Apartment House

Financing is being undertaken, through the medium of general mortgage bonds, by Sussex Properties Ltd., which was incorporated in October, 1930, and has acquired an apartment in Toronto known as Sussex Court. The property has been modernized and contains 32 suites of two to six rooms each. The building is six stories in height and is of fire-proof construction.

A number of tenants are stated to have been permanent residents for some years and the apartment is reported to be 100 per cent rented. The bonds which are offered are subject to a first mortgage of $67,500 and carry a bonus of common shares of which there are 1,240 shares of no par value authorized.

$62,000
SUSSEX PROPERTIES LTD.
6½% 15 YEAR S. F. GOLD BONDS

Dated: November 1, 1930; due: November 1, 1945.
Interest: Payable November and May 1 at Ontario branches of the Royal Bank.
Denominations: $1,000 and $500, coupon bonds, registerable as to principal only.
Trustee: Trusts & Guarantee Co.
Redeemable: In whole or in part on 30 days' notice at 103 to November 1, 1934; thereafter to November 1, 1939, at 102 and thereafter to maturity, at 101.
Sinking Fund: Not less than two per cent of total bonds now outstanding, annually, commencing November 1, 1933, sufficient to retire approximately 40 per cent of issue by maturity.
Security: A specific mortgage and floating charge on the equity in assets having a valuation of $180,888 as appraised by the Sterling Trusts Corp. Subject to a first mortgage of $67,500.
Earnings: During 1929, after provision for non-recurring expenses are stated at $23,266. After allowing for interest charges and operating costs, there would be approximately $11,000 available for this issue.
Share Warrants: Each $1,000 bond carries right to receive eight shares of no par value common stock without further payment; $500 bonds carry four shares of common.
Offer: $62,000, November, 1930, at par including common stock bonus, by Pringle, Holmes & Co., Toronto.

COAST TELEPHONE FIRST MORTGAGES PUBLICLY OFFERED

Issue of $7,500,000 Will be Used for General Purposes

From Our Own Correspondent

MONTREAL.—An offering of $7,500,000, 5 per cent, first mortgage bonds of British Columbia Telephone Co. is being made by a syndicate headed by W. C. Pitfield & Co.

Of the total issue $1,500,000 has been withdrawn for issue in London, and $2,500,000 has been taken for firm investment by Associated Telephone and Telegraph Co., which controls B. C. Telephone.

B. C. Telephone is the second largest telephone company in Canada. It operates about 50 telephone exchanges and more than 116,000 telephones serving a population in excess of 500,000, including the metropolitan areas of Vancouver and Victoria.

Details of Issue

Following are details of the issue:

$7,500,000
British Columbia Telephone Co.
First Mortgage Bonds
5 Per Cent Series "A"
Dated Dec. 1, 1930; due Dec. 1, 1960.

Capitalization:	Authorized	Issued
1st mtge. bonds	*$10,000,000	†$7,500,000
6% preference	1,000,000	1,000,000
6% preferred	4,500,000	4,500,000
Ordinary stock	4,500,000	4,500,000

* Additional bonds may be issued only under restrictions of trust deed.
† Series "A," this issue.

Company—Operates telephone system.
Property—Owns and operates over 90 per cent of all telephones in province, exchange buildings and sites, long distance system and 4 submarine cables from mainland to Vancouver Island.
Assets—Appraised at Dec. 31, 1929, plus subsequent additions at cost, depreciated value at Sept. 30, 1930, was $20,450,073.
Security—Direct obligation of the company. On redemption of first mortgage debenture stock on Nov. 1, 1931, bonds will constitute first mortgage on property.
Restrictions—No additional first mortgage bonds may be issued if amount of bonds outstanding plus bonds to be issued shall exceed paid up capital stock. Then additional bonds may be issued up to 75 per cent of such cost if net earnings for any consecutive 12 months out of the 15 immediately preceding, are not less than 1¾ times annual interest on all bonds.
Earnings—Available for interest in 9 months ended Sept. 30, 1930, were $763,406. Earnings in 1929 were 2.95 times interest requirements after depreciation.
Purpose of Issue—To be used in part to retire issue of first mortgage debenture stock called for redemption on Nov. 1, 1931, and for general corporate purposes.
Offered—December, 1930, by W. C. Pitfield and Co., Canadian Bank of Commerce, Royal Bank of Canada, Nesbitt, Thomson & Co., and Wood, Gundy and Co., at 95½ to yield 5.30 per cent.

St. Germain Parish Bonds Sold by Montreal House

MONTREAL.—Nesbitt Thomson & Co. is offering $340,000 of five per cent serial gold bonds of the Parish of St. Germain of Outremont. These bonds are being offered at par and accrued interest.

The bonds will be a direct obligation of the Roman Catholic property holders of the Parish in accordance with the revised statutes of Quebec, 1925. This Act provides that the amount of an assessment on land to defray the expenses of the construction of a church shall be the first charge on such lands and the first privilege debt affecting and binding the land, without the debt necessarily being registered. Assessments thus imposed rank prior to municipal and school tax. The value of the property which may be assessed by the trustees of the Parish amounts to more than $4,400,000.

List Ontario Power Bonds On New York Exchange

Ontario Power Service Corp. 5½ per cent 20-year first closed mortgage sinking fund bonds have been listed and admitted to trading on the New York Stock Exchange. The bonds have been traded on the New York curb since original offering on August 5, 1930.

Application was made to the New York Stock Exchange for listing around the first of December and the company submitted a balance sheet as of September 30, 1930, at that time. The total assets are shown at $22,561,961 of which $10,209 is cash, $488 is accounts receivable; balance from sale of bonds amounts to $17,756,700 and expenditures on property, discount and organization expense, $4,794,564.

Liabilities consist of $285,456 in accounts payable; $275,000 in accrued interest; funded debt, $20,000,000 and capital stock, $2,001,505.

Propose Bond Financing For Montreal Hospital

An offering of 5 per cent serial bonds of Grace Dart Home Hospital, Montreal, will be offered shortly by a Montreal house, according to report. The bonds will be guaranteed as to both principal and interest by the Quebec provincial government.

Proceeds of the issue will be used to meet the major part of the cost of re-establishing the institution in new and enlarged quarters. The hospital was founded in 1898 and is maintained primarily for the care of destitute people suffering from pulmonary tuberculosis in advanced stages. An expenditure of $450,000 is contemplated.

Independence Trust Shares Placed on Canadian Market

From Our Own Correspondent

MONTREAL.—Hodgson Bros. & Dunton and Kippen & Co., are offering a Canadian participation in Independence Trust Shares, at a price of approximately $5 a share. This is a fixed type of investment trust, each unit comprising 50 common stocks in American utilities, industrials, banks, oils, rails and insurance companies. The trust terminates October 1, 1950.

Features surrounding Independence Trust Shares are similar to those of other fixed trusts. It is provided that there is no elimination or substitution of stocks; semi-annual distributions are made; a market is maintained under normal conditions at a ½ point below asked price, etc.

Bond Tenders

12 o'clock, Dec. 20, County of Peel—$85,000, 5 per cent, 10-instal. debentures, to pay 50 per cent of cost of certain roads and bridges. David Wilson, county clerk, Brampton. (See announcement on page 21).

2 o'clock, Jan. 8, City of Sherbrooke—$125,000, 5 per cent, serial bonds, dated Oct. 1, 1930. L. Lacombe, sec.-treas.

Dec. 20, Village of Sunderland—$7,300, 5 per cent paving bonds, guaranteed by the Township of Brock, maturing from one of ten years. First interest coupon and bond payable Jan. 1, 1932. W. Brethour, chm., Sunderland, Ont.

11 a.m., Dec. 23, County of Middlesex — $63,000, 5 per cent, 15-year debentures. T. E. Robson, county treas., London. (See announcement on page 21).

Alberta authorizations granted by the board of Public Utility Commissioners Oct. 29 to Nov. 18, 1930: school districts, Hazeldeen No. 1829, $3,000; Odin No. 4318, $1,500; Barnwell No. 15, $3,000; Rothesay No. 4503, $2,500; Paradise Valley Village No. 4424, $5,000; Turin Village No. 4252, $1,000; Brierfield No. 3321, $3,000; Hiawatha No. 1839, $600.

CANADA DRY ALE REDUCES DIVIDEND

$3 Rate Established Pending Recovery in Business

P. D. Saylor, president of Canada Dry Ginger Ale, Inc., has announced a cut in the dividend rate from $5 to $3 per annum, to be effective with the January 15, 1931 payment, which will be 75 cents per share instead of the former payment of $1.25 per share.

The following statement has been issued by Mr. Saylor:

"Sales and profits for this quarter will be less than for the corresponding period of last year, because last year we had not felt the business depression. It was the consensus of the board that we could not expect much improvement in business before the beginning of the beverage season, about April 1. Sales for October were lowest in any month of the past year. November sales showed an increase over October and December, to date, a larger increase over November than November over October. This, we feel, is very encouraging.

"You may think that, in view of our strong financial position, as shown by the annual report, that we are following too conservative a dividend policy, but let me remind you that your directors have always followed a very conservative policy in dividends and that it has always proven advantageous for our shareholders."

HUDSON'S BAY CO. PASSES DIVIDENDS

Low Price of Furs, Western Conditions, Will Bring Loss

In announcing that they did not feel justified in declaring the dividends on the preference and ordinary shares, ordinarily payable on January 2, the governor and committee of Hudson's Bay Company issued a statement to the effect that conditions of trading for the current year had proved to be even more severe than had been anticipated.

Not only has there been a serious decline in the price of furs but the prevailing depression in Canada has adversely affected the company's other activities, including the receipts from the land department.

The report further stated: "Unfortunately there appears to be no immediate prospect of improvement and the present year's operations will undoubtedly result in heavy loss."

It was added that the report of the special shareholders' committee appointed in August to investigate charges made against the directors will be submitted about the end of the year. This committee was formed at the instignation of the governor following the defeat of a resolution directing criticism at the executives of the company at the annual meeting in June last.

Bond Redemptions

Bond Issues—*	Rate	Due	Redeem.	Price
Laurentide Power	5%	1946	Jan. 1	105
Do.	5½%	1946	Jan. 1	101
Redpath Row, 1st. mtge.	6½%	1942	Jan. 1	103
Pedlar People 1st mtge.	*8%	1941	Jan. 1	102
Minneapolis Heat Regulator	*5%	1932	Feb. 1	100
Stock Issues—				
Conduits Pref.	7%		Jan. 1	110
National Grocers Ltd. 1st. pfd.	8%	....	Feb. 14	110
Foreign Issues—				
Danish Cons. Mun. Loan	8%	1946	Feb. 1	107½
State San Paulo (ext.)	*8%	1936	Jan. 1	105
Belgium (external)	*6%	1955	Jan. 2	100
Rep. of Poland (ext.)	*8%	1950	Jan. 1	105
Mortgage Bank of Chile	*6½%	1957	Dec. 31	100
Do.	*6¾%	1961	Dec. 31	100
Rep. of Chile	*6%	1961	Jan. 1	100
Rep. of Finland	*5½%	1958	Feb. 1	100
State San Paulo (ext.)	*6%	1968	Jan. 1	100

*In part.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal	Date Sold	Sold To	Rate	Maturity	Amount	Price	Basis
Dundas	Dec.	Dominion Securities	5%	1946	$32,400	99.40	5.08%
Dalhousie, N.B.	Dec. 10	Gairdner & Co.	5%	20-yr.	20,000	98.12	5.12%
			5%	40-yr.	20,000		
Village of Tweed, Ont.	Dec. 16	Bell, Gouinlock & Co.	5%	20-ins.	12,000	102.76	5.14%
			5%	30-ins.	13,000		
			5½%	30-ins.	74,150		
Kenora General Hospital, Gtd. by Town of Kenora	Dec. 10	H. R. Bain & Co.	6%	15-ins.	30,000	101.38	5.79%
St. Hyacinthe, Que.	Dec. 13	C. H. Burgess & Co.	5%	ser. 19½ yr. av.	170,750	99.17	5.07%
Syndics de la Paroisse de St. Germain N. Outremont	Nov. 28	Nesbitt, Thomson & Co.	5%	1961	150,000	96.75	5.31%
			5%	30-ser.	182,000		

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Offered	Year
B. C. Telephone Co.	Dec.	W. C. Pitfield & Co., Bank of Commerce, Royal Bank, Nesbitt, Thomson, Wood, Gundy & Co.	5%	1960	$7,500,000	95½	5.30%
Sussex Properties	Nov.	Pringle Holmes & Co. (With common stock bonus)	6½%	1945	62,000	100	6½%
Stock Issues—							
Fundamental Trust Shares	Dec.	E. A. Pierce & Co.	Ser. "A"		......	$7.50	....
			Ser. "B"		......	8.25	....
Independence Shares Corp.	Dec.	Hodgson Bros. & Denton, Kippen & Co.	Trust Shares		......	$5	....

St. Luc Hospital
Montreal
5½% Bonds
August 1st, 1940

These bonds are guaranteed by a first mortgage on the hospital and by grants from the government of the province of Quebec.

Price: 100 and accrued interest

RENE-T. LECLERC
Incorporated
240 St. James St. West, Montreal
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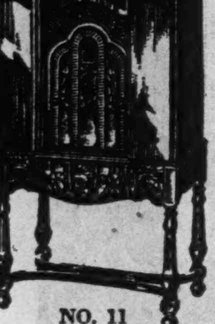

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MONTREAL TORONTO WINNIPEG VANCOUVER

Architect's Drawing showing Modern Parking Garage to be erected at Charlotte and Princess Sts., Saint John, N.B.

The Princess Realty Co. Ltd.

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John F. H. Teed, Saint John, N.B.
Geo. A. Cameron, Saint John, N.B.
Director, General Manager and Treasurer

TRANSFER AGENT: The Maritime Trust Company, Saint John, N.B.
BANKERS: The Bank of Nova Scotia, Saint John, N.B.
LEGAL COUNSEL: Messrs. Teed & Teed, Saint John, N.B.

Meeting a Need

The Princess Realty Company Limited propose erecting a modern type parking and service garage at the corner of Charlotte and Princess Sts., Saint John, to meet the pressing demand for parking and garage facilities now existing.

The new garage will be known as "The Dominion Garage," and it is expected that it will be open for business on June 1st next. It will be of fireproof construction, with a storage capacity of 400 cars. The d'Huny Ramp system will be employed, which permits driving a car to all floors under its own power.

The garage will be located in the very heart of the city and in the centre of all activity. The management are confident of the success of a garage of this type in Saint John.

We believe that the Princess Realty Company Limited will provide the investor with a wide margin of safety and profitable income from both the preferred shares and the common stock.

The Princess Sales Company are now offering 7 per cent cumulative preferred stock carrying a bonus of 50 per cent in common stock.

Price: $100.00 per unit

(A Unit consists of Ten Shares of Preferred Stock par value $10.00 and Five Shares of Common Stock of no par value.)

THE PRINCESS SALES CO.
Charlotte St., cor. Princess
SAINT JOHN, N.B.

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Member Audit Bureau of Circulations

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TORONTO, DECEMBER 18, 1930

CURBING THE C. N. R.

A RECENT statement of Hon. Dr. R. J. Manion, Minister of Railways and Canals, regarding the relationship of the Canadian National and the Canadian Pacific Railways is a document of first rate importance, if the Government can be counted upon to see that the minister's promises are fully implemented.

Dr. Manion undertakes to assure himself in the future as to the economic merit of proposals made by the Canadian National Railways for development expenditure. The government will avoid unwise or unnecessary increase in already heavy capitalization and interest charges, Dr. Manion promised. The aim of the government will be to work for greater co-operation and less duplication. Given assurance on these points the government will not attempt to dictate Canadian National Railway policy.

Nothing could be fairer than this. We have heard the same sort of thing from previous governments but extravagant capital expenditures on the Canadian National Railways have gone on apace. In various parts of Canada, the Canadian National has wantonly duplicated projects already existing and operated by the Canadian Pacific Railway, where there was no economic justification for the expenditure. Two examples that might be quoted are the Vancouver-Victoria ferry service and the new hotel in Halifax. Year after year, Sir Henry Thornton has appeared before the Railway Committee at Ottawa and forced through expenditures that were little understood by the men who gave them their authority. Year by year, as there has been an apparent book improvement in the operating revenues of the Canadian National Railways, the actual deficit has gone on and a heavy burden has been added to the annual interest charges, which are usually ignored by those who speak of operating improvement.

If it were not necessary to consider interest charges and government subsidies it would be possible for the Canadian National Railways, by plunging hundreds of millions of dollars additional into the system to show an operating profit two or three times the present amount. But this would not be sound, it would lead to inevitably bankruptcy, to immense additions to the tax bill and to the bankruptcy also of the Canadian Pacific Railway, Canada's premier investment.

Increased investment in government railways is justified only if it can be demonstrated that the expenditure will directly result in increased net earnings, sufficient at least to carry the interest burden on the additional sums invested. It is difficult to come to any such conclusion regarding some recent C. N. R. capital investments.

FIXED PRICES NO CURE IN PAPER OR WHEAT

A SUBSCRIBER of The Financial Post, in one of the paper towns of New Brunswick, writes an interesting letter on the newsprint situation. He feels that Canadian newspapers have the wrong slant on the newsprint situation; that they are discouraging any increase in price lest it add to their own costs of doing business. Higher prices are a matter of life or death for the industry; if newspapers paid a few dollars a ton more for their paper it would add little to their costs and they would more than make it up in the additional advertising revenues they would get as a result of larger prosperity in the country. So argues our subscriber.

The situation is not so simple as that. Canadian newspapers might be willing to pay a higher price for paper but an increase in paper prices would not alone bring prosperity to the Canadian mills. The Canadian demand is only a fraction of the possible Canadian output. We must be prepared to meet world prices and world service. A higher price for paper would encourage new competition from Alaska, Russia, Sweden, Germany and other countries. It would re-open some high cost mills in the United States, now closed down. It would postpone the day when the Canadian mills will finally be prosperous again.

There are other things more important than an artificially fixed increase of prices. One is greater economies in operation. Another is the writing down of any excessive indebtedness or capitalization that has resulted from too much investment banking in the industry.

The industry is suffering from over-expansion and over-financing. The price of fundamental mistakes such as these must be paid by the owners of the industry who include unfortunately thousands of trusting investors. The industry can not expect its customers to pay for its mistakes. The customers are anxious to see the industry restored to prosperity. Probably all Canadian newspaper owners and also the leading publishers of the United States would be more satisfied with a well established, prosperous industry, making a profit on a reasonable level of prices, than with an impoverished industry running at a loss. But competition is keen in publishing as in any other industry and paper costs loom largely in expenses. Even the individual publisher inclined to altruism must consider cold facts and ask that economic laws that occasionally work against him should occasionally be permitted to work in his favor also.

The situation is not entirely dissimilar in wheat. Some folks feel that all that is needed in wheat is increased prices even if they have to be artificially fixed. Canadians as a whole will be just as much heartened by a soundly based increase in wheat prices as by an equally soundly based increase in newsprint prices. But present low prices in both wheat and newsprint will work ultimately to the benefit of Canada by removing much of the competition our paper mills and wheat farmers now must face. Our lower costs in both fields will eventually win out. At the moment, when it is impossible artificially to raise prices in either field, it is best to strive to reduce costs as the way of widening the profit margin. When prices rise the lowered costs will remain; will in fact be further lowered by the larger volume of sales that will be possible. Artificial price increases now will cost us more millions of dollars later than we could possibly gain now.

MARITIME'S PROSPERITY

THE FINANCIAL POST has been under fire in the Maritime Provinces for some allegedly offensive statements. The Pictou Advocate, of Nova Scotia, for example, feels that the views it quotes and credits to The Financial Post are typical of a "certain narrow protectionist and upper Canadian viewpoint."

All this excitement is quite unnecessary and quite unfair to The Financial Post since the editorial which has aroused so much resentment in the Maritime Provinces never appeared in these columns, and was wrongfully credited to this paper by the first Maritime editor to take it up. Without bothering to check up the original source, other Maritime editors have copied it and have added their few remarks to this condemnation of The Financial Post. The editor of the Saint John Telegraph-Journal was apparently so angry that he was not able to see straight and he made the rather amusing error of quoting a paragraph of comment from another Maritime paper and crediting it to the Post.

Where the original editorial appeared is beside the point. It was apparently a little lecture in economics, written for the benefit of the Maritimers, and telling them that they could not expect industrialists to maintain their Maritime Provinces plants, that economic considerations dictated that these plants should be located in Central Canada. There is hardly any wonder that the Maritime editors were angry but it is rather unfortunate that they should have picked on The Financial Post, which has never made any such statements and never will.

The Maritime Provinces are entitled to a full measure of industrial and agricultural development. Balanced production from coast to coast is essential to the up-building of a confederation that is to be economically as well as constitutionally secure. To a certain extent, it is necessary that artificial measures be used to promote this balanced productive activity, just as the artificial stimulus of the tariff is necessary to the initial establishment of a fundamentally strong manufacturing industry in Canada. It is in recognition of this fact that business men of Ontario and Quebec have gladly borne their share of the cost of freight rates, subsidies and other benefits granted to the Maritime provinces under the Duncan recommendations.

The wisest Maritime business men know that no industrial development can be had in the Maritimes that has not a sound fundamental basis. Artificiality is not enough. Local initiative, sound local government, scientific research are needed to build industries in the Maritimes as in any other part of the country. In many fields the Maritimes are ideally situated to serve not only Canada but export markets. In other fields, where the local advantages are not so apparent, development has been fostered by exceptionally high quality of products, by excellent service and by good salesmanship.

The Maritimes for years have discussed their rights under confederation. To the extent that they have been denied any just benefits they have been perfectly right in making their case known. Some of the leading business men of the provinces by the sea have not hesitated to state, though, that in insisting upon Maritime rights the people of those provinces should not overlook Maritime opportunities and that their energies should be devoted to an intensive development of their own resources and possibilities.

With one small group in the Maritimes, that has done nothing since 1867 but complain, and that hopes to have prosperity legislated for it, The Financial Post has no sympathy. Neither, for that matter, have the real leaders of Maritime thought. People of this character are to be found in every province, and they are always ready to blame someone else for their troubles. For those who ask for only a fair or equal opportunity to grow within confederated Canada, The Financial Post has, and always has had the greatest sympathy. Its columns are always open to air any just grievance that any such groups may feel. Our columns are never open to insulting or taunting references to the Maritime Provinces and it would be appreciated if Maritime editors quoting such references would not label them as coming from this newspaper.

CHANCE TO LEARN

PARKER MOLONEY, Minister for Markets in the Sculling Labor Government of Australia has been a visitor to the United States and Canada on his way home from the Imperial Conference. It is to be hoped that he spends sufficient time on this continent to get an idea of the feelings that now prevail with respect to the disastrous effects upon wheat growers of the various attempts at price advancing and price control which have prevailed in Canada, in the United States and in Australia during recent years. His published suggestion the other day to the effect that international organization of wheat growers is desirable, presumably for market control, will receive little support in this country, even from those Pool leaders who a few years ago were giving support to such doctrines, and its publication comes just at the time when the new general manager of the Canadian Pool is attempting to reassure customers abroad that this country has no intention of attempting to impose its own ideas upon them.

Mr. Moloney was the proponent of the scheme put forward by the Australian Government this year for the compulsory pooling of Australian wheat, a plan which was defeated in the Australian Senate. Had it carried there it was still subject to the endorsation of Australian State Governments and also wheat growers. A great deal of opposition developed to the idea among wheat growers, but it might have carried with them because it carried with it a proposed guarantee of a price of four shillings a bushel at country stations. Indeed it is probable that the very large increase of wheat acreage in Australia this year was due to the belief that the plan might be put into effect. The guarantee, if made, would probably have been repudiated, under pressure of necessity, for its cost would have run anywhere from twenty-five to fifty million dollars, and the money, in the present condition of Australian finances could hardly have been secured.

In proposing his bill for a compulsory wheat pool in the Australian Parliament, Mr. Moloney said that the bill contained the proposals of the government for the stabilization of the wheat industry, and that it represented the policy of the government in connection with the marketing of the great primary products of the country. Australia, of course, has every right to proceed along whatever lines she chooses with respect to her own marketing plans.

Wheat pooling was started in Australia before it began in Canada, and the structure of the Canadian pool was very largely based on Australian experience. Pooling showed a tendency to die out there after compulsion, which was in force during the war, was abandoned. The recent attempt to put compulsion again into effect appears to have been based to some extent upon misconceptions as to the success of the Canadian institution.

EDITORIAL NOTES

Farmers are apt to hit out at the short seller of wheat. But a strong short interest or a strong speculative interest of any kind in the grain markets recently would have stabilized prices so as to make government price fixing unnecessary. Unfortunately such an interest is lacking, due chiefly to threats of a compulsory wheat pool.

* * *

Of late, The Financial Post has several times emphasized the possibility of one last big break in the stock market before the beginning of another long upswing. Prices have since hit a new low. Where bottom is no economist can safely declare. One thing is certain; good stocks are fundamentally cheap. A policy of long term investing in a diversified group of stocks can safely be begun but it is not necessary or wise to invest all of one's funds now.

* * *

The League of Nations Assembly met from September 10 to October 4 in its eleventh session. Fifty-two of the fifty-four member states were represented, about half of them by their prime ministers. The newspapers all over the world, including Canada, reported their activities fully. Yet how many people reading this paragraph can remember even what was discussed at the meeting or what constructive action was taken? The League seems to be chiefly successful in solving problems that would solve themselves anyway.

POST-scripts

AT A radio dealers convention in Montreal recently plans were laid for a monster demonstration in which all radio users were invited to participate. They were asked to bring their old radio sets with them and then, marching through the streets with bands playing they were to heap the ancient equipment on to a mighty bonfire. Cheered by the dancing flames they might well be expected to go and buy new radios the next day. There are possibilities in this idea for brokers. Why not a mammoth parade of investors and a colossal conflagration of old securities? Possibly, like the phoenix, a flood of buying orders would arise from the ashes. One individual commenting on the suggestion remarked that it would be all right if most of the stock was dry enough to burn.

LOAN companies, holding mortgages on Western farms, naturally are finding collections very slow. One loan company executive summed up his company's experience this year by saying, "There aren't any collections." But the big loan companies do not press their borrowers in times like these. Rather they do what they can to help the farmers stage a come-back, and this often means making further loans. They are putting up money for the purchase of cattle and hogs, to buy feed and, in some cases where the farmer has no cash, even to buy coal and provisions. The loan companies are interested in creating prosperity and earning power. They do not want to take over farms but they want to make their creditors earn a profit out of their farms.

Possibly the extreme case of a further loan being made by a mortgage company to help along one of its borrowers in the West was in the case of the farmer whose mother-in-law, living with him, died. There was no money to pay the funeral expenses. The loan company put up $75 to pay the undertaker's bill and hopes, when farm prosperity returns, to get it back again.

It was not without justice that a group of Western politicians, two years ago in Regina, paid tribute to the loaning institutions of Canada for the manner in which they have seen the farmer through every difficult period.

EVERY wise corporation executive keeps his ear to the ground to know what his customers and what the general public are saying about his company. Which serves merely to introduce this story:

Directors of the Canadian Pacific Railway were up in Peace River inspecting new branches of the Northern Alberta Railway, owned to the extent of one-half by C. P. R. A member of the party remained behind in one of those brand new Peace River towns while the directors and other officials went on a tour of a line under construction. The C. P. R. official found that only one other person, so far as he could see, had stayed in town. Everyone else was following the C. P. R. directors about. This individual was the local implement man, a young fellow with a brand new workshop and salesroom. The C. P. R. official and the implement agent struck up a conversation, in the course of which the young man very earnestly proceeded to demonstrate that the new branch line had been built along the wrong route. While he was drawing a sketch map on the unpainted wall of his building, a third person quietly came up behind and began to listen. Then he grabbed the pencil and began to debate the subject with the young man. They argued at some length, the new arrival obviously impressed by the local chap's arguments, so much so that he copied down the map and made notes on the criticisms.

The third party who was so anxious to get the young man's viewpoint was Sir Charles Gordon, president of the Bank of Montreal and director of the C. P. R. When the rest of the party, including E. W. Beatty and Sir Herbert Holt got back Sir Charles showed them the map and passed on the information he had received with all the seriousness he would have shown if the report had been signed by the greatest railway engineer in the world.

Of course, the eager young implement salesman never knew to whom he was talking and he never knew that his views on the proper route for a branch line railway were seriously discussed by a group of the biggest business giants of Canada.

New Books

Moving Forward

Henry Ford, foremost practical master of the efficient industrial production of today, is becoming the best philosophical interpreter of his era. Ford methods in industry have well nigh revolutionized manufacturing methods within the space of a generation. Few of those who have followed Ford have sensed his underlying philosophy. That perhaps explains why Ford mass production systems have been more copied than his minimum wage levels, his five day week, his preference for experience over youth, his refusal to watch or copy his competitors, his price policies.

The Ford business is the greatest economic laboratory in the world today. No doubt in years to come this world-encircling business, embracing every phase of industry from production to finance and distribution, will probably gain greater recognition as an experimental agency in social economics than as a technical industrial laboratory. For the Ford business has become too large a thing to be regarded as private property. Its owner has too much money and too few ungratified wants to feel the urge for profit for the sake of profit. Being responsible to no stockholders, having no obligations to other invited owners, the Ford Company has no primary responsibility to anyone but mankind. Henry Ford declares his company is not interested in making money. It only needs profits for one purpose—to set up a reserve for the possible entire rebuilding of the physical equipment of the business should technological advances make it necessary. Given such a reserve—and the inference is that Ford now has it—income and outgo are made to balance as closely as possible. So this great industry goes on, undisturbed by the surface changes in world economic developments, working to its own objectives, which it conceives to be the basic objective of all business, the spread of real prosperity, the elimination of all poverty, the extension of leisure, the provision of products and services to make hours of leisure profitable and interesting.

Henry Ford has a mind as simple as that of a child. His philosophy is never profound. As he expresses it (through his solid-flesh ghost writer, Samuel Crowther) it is clear, succinct, unanswerable simply because it is based on ordinary truths that are apt to be lost in the hectic hustle of business. If Henry Ford ever had a reputation for prescribing panaceas his newest volume, "Moving Forward" will lose it for him. The only cure-alls he has to offer is common-sense and a ban on faddists.

Mr. Ford is unworried by talk of over-production. In his view, so-called over-production is merely a step in the direction of greater leisure for workers which will in turn provide consumption to balance the world's present huge production. Leisure is the answer to unemployment. Machines do not create "technological unemployment" as is alleged. They may create technological displacement. By serving workers, and freeing them from manual labor, they lengthen leisure hours and thus create new demands, new needs, which means new industries and more men employed—though under better conditions—than ever before.

But in "Moving Forward" Mr. Ford does not more than range over the field of business and profound new explanations of old worries. He takes the reader into the Ford plant and shows the results of the working of many Ford policies.

This is a major textbook not only in Twentieth Century industry but in the economics of this and the coming generation. Mr. Ford sees business not only as it is today but as it will be tomorrow. This is one of the great business books.

It is published by Doubleday, Doran and Gundy, 128 University Avenue, Toronto, at $2.50.

Canadian Annual Review

The Canadian Annual Review of Public Affairs, in its twenty-ninth year of issue, fully lives up to the reputation established in the years that have followed since its founding by J. Castell Hopkins to provide Canadians from year to year with a running, authoritative and up-to-date history of current affairs.

It covers every major event touching Dominion and provincial politics, relations of Canada with the Empire, international relationships, the development of trade and commerce, the events which brought about the present business and financial depression, the progress of art, science, education, changes in transportation and communication and proceedings of National bodies and churches. Illustrations, tables and supplements help to make the volume further worthwhile for a place in the library of one who wishes to keep available such a storehouse of information concerning Canada for reference.

Three pages are given to the sensational developments in the mining brokerage field, following The Financial Post issue of November 7, 1929, in which began a series of articles showing that "market manipulations of Canadian mining shares" was curbing the progress of a great industry, that markets were "ruthlessly manipulated by short selling, that there was going on a cynical exploitation of public confidence and a brutal plundering of the hard-won earnings of the people." The way in which public opinion, aroused by these articles, forced action by provincial governments across Canada against the principal brokerage establishments engaged in these injurious operations, is described succinctly but adequately

Access to the enormous amount of information in the 811 pages of this book is rendered easier by the two indexes, one to "men" and the other to "affairs" at the end of the book.

Other People's Views

Unemployment Racket

Niagara Falls Review.—If any scheme of unemployment insurance is inaugurated in Canada, it is certain that the British system will not be slavishly followed. The plan of the old land is full of anomalies. It should never be more profitable for a man or woman to receive funds from the system than to hold a job.

No Cause for Complaint

St. Catharines Standard.—The Financial Post praises the courage of Premier Bennett overseas. It is a refreshing thing for people to know from a statesman or politician just where he is at, in which respect Mr. Bennett has left no cause for complaint, be he right or wrong.

Stop Me If You've Heard This One

We read again that a Bostonian was showing a visiting Briton around. "This is Bunker Hill Monument—where Warren fell, you know."

The visitor surveyed the lofty shaft thoughtfully, and then said: "Nasty fall. Killed him, of course?"

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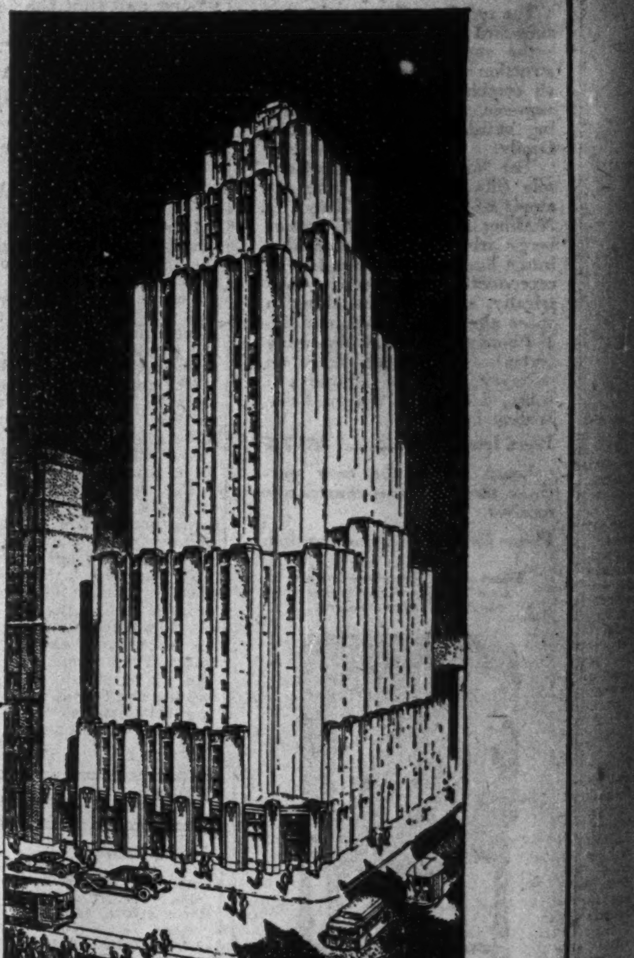

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Business Conditions in Canada

1930 FAILURES MAKE HIGH MARK FOR SEVEN YEARS

1,725 Firms Failed in Nine Months; Loss is $36,648,414

Commercial failures in Canada during the first nine months of 1930, as reported by the Dominion Bureau of Statistics, were 1,725, as compared with 1,589 for the corresponding period in 1929. The report established 1930, to date, as having the largest number of failures of any year since 1923, which had 2,707 during the first nine months. There were 1,717 in 1924.

Defaulted liabilities during the first nine months of 1930 amounted to $36,648,414, as compared with $26,618,648, $20,756,502 and $20,865,970 in the corresponding periods of the previous three years. During the present year, New Brunswick and Ontario are the only provinces to show any decrease in the number of failures.

Finance Companies Hit

Classified by types of business, the figures show that finance companies have been hit hardest, with 22 failures as compared with 17 in the corresponding periods of the previous six years. Agriculture shows improvement over last year as does construction, with a slight increase in failures in the case of manufactures and greater increases in trade, transportation and service.

Increase in September

Commercial failures during September numbered 192, as compared with 159 in August and 150 in the corresponding month of 1929. Liabilities amounted to $2,081,447 during the month, a large decrease from the total of $5,518,164 reported for August but an increase from the returns for September, 1929, when assignments involved $1,710,194.

Chief toll was taken in Quebec and Ontario, while in the Maritimes failures number five, the same as in September, 1929, and two under August, 1930. The Prairie Provinces showed improvement over August when there were 40 failures recorded by reporting 26 failures in September, as compared with 18 in September, 1929. British Columbia failures numbered seven, as compared with six in August and five in September, 1929.

Ontario was hardest hit, with liabilities amounting to $879,000. There were 68 failures recorded as against 47 in August and 57 in the corresponding month of the previous year. Only 14 Toronto firms failed with liabilities of $94,000. In Quebec, liabilities amounted to $812,000, of which $403,000 was in 44 Montreal firms. The total of failures was 86 for the month as against 59 in August and 66 the year previous.

Trading establishments furnished the largest number of failures with 97 assignments. Manufacturing establishments accounted for 40; agriculture for eight, construction, four; transportation and public utilities, five, and finance, two.

Weekly Markets Reflect Business Trend

	Canada	United States
Commodity Prices:	Consumers' goods index dropped 1.5 points to 84.9 in November.	No sign of change in current downward trend.
Iron and Steel:	Railway equipment companies anticipate orders.	Last quarter's earnings will show further decrease. Plants at 40 per cent capacity.
Foreign Trade:	Dutiable imports decline to 61 p.c. of October total.	October exports increased 5 p.c. over previous month.
Car Loadings:	Total for 11 months is 10.6 p.c. below the same period in 1929.	Current loadings 16 p.c. below '29 level and 22 p.c. below '28.
Employment:	Seasonal contraction is more pronounced than in last 10 years.	Industrial activity continues to decline.
Stock Markets:	Leaders move into new low range. Some issues show strength.	Sharp reaction for past week brings many securities to new lows for 1930.
Credit:	Gold shipped to New York for first time in some years.	Call money rate increased from 2 to 2.5 p. c.
Week's Highlight:	Wheat prices again break through lowest November levels.	Bank of United States, New York city, fails, precipitating break in bond and stock markets.

Consumer Prices Lag Far Behind General Wholesale Price Level

Analysis Shows Retail Prices of Many Goods Fail to Reflect Lower Commodity Trend—Lower Retail Prices For Textiles Indicated

A Weekly Review of Business Conducted by The Financial Post

Last week in Toronto a United States statistician, in the course of an address on the business outlook, hurled vehement criticism at retailers who had failed to pass on to consumers the drastic cuts in commodity prices which have occurred in recent months, and who, by so doing were definitely blocking the way to business recovery.

In order to find out how much of the fall in commodity prices has been passed on to consumers, The Financial Post has analyzed the November report on prices and price indices issued by the Dominion Bureau of Statistics and finds that as at November 1, the 502 commodities which comprise the official D.B.S. index of wholesale prices in Canada, had declined 16.6 per cent since November 1, 1929, while the index of retail prices, rents and costs of services showed only a 4.5 per cent drop in the same period. Perhaps the fact that this retail index includes "rent" is somewhat of a drawback, because rent, according to the Dominion Bureau, is exactly where it was a year ago, and in fact has only changed 1 point in the last 14 months.

Foodstuffs Most Affected

However, as far as retail prices are concerned, apparently the only commodities which have in any proportionate way benefitted by the decline in prices, are foodstuffs, although even here the decline in retail prices has only been 11.2 per cent in the past twelve months as against a drop of 15.4 per cent in the wholesale prices of foods, beverages and tobacco.

Another group for which comparative wholesale and retail figures are available is textiles. Comparison of the respective index numbers reveals that while textile and clothing items which are used as manufacturer's materials, have declined 15.3 per cent, the clothing items in the retail price index have declined only 5 per cent, so that generally speaking there should be further substantial price recessions in clothing before prices to the public catch up with a steadily falling wholesale index.

Consumers Goods Analyzed

Still another way in which one can approach the decline in prices as applied to the consuming public, is by an analysis of the items grouped by the Dominion Bureau of Statistics as "Consumers Goods." This grouping includes some 204 items and is subdivided into two parts. The first part includes foods, beverages and tobacco, and as already indicated these items have declined 15.4 per cent. The other part includes such items as clothing, boots, shoes, rubbers, hosiery, underwear, and household equipment and supplies. These latter items are down only 6 per cent, due to the fact that household equipment and supplies have declined only 2.8 per cent. The index for all consumers goods is down approximately 10 per cent. Here are the various items which compose this index, and the percentage change in each as compared with a year ago.

	No. of items comprising group	Nov. 1929	Nov. 1930	% change
Consumers' Goods (Groups A & B)	204	94.3	84.9	—10
A. Foods, Beverages & Tobacco	116	100.3	84.9	—15.4
Beverages	8	95.5	74.6	—21.9
Flour and milled products	5	95.1	63.5	—33.5
Bakery products	2	104.5	84.8	—18.8
Fish	16	109.7	92.0	—16.1
Fruits	15	103.2	100.2	2.9
Meats & poultry	10	104.3	94.2	9.7
Milk & m. prod.	12	109.8	92.5	15.8
Sugar & its prod.	3	90.1	79.2	12.1
Vegetables	15	94.3	58.7	40.3
Eggs	5	118.4	106.2	10.3
Tobacco	8	78.8	78.8	unch.
Miscellaneous	17	87.4	87.9	.46
B. Other Consumers' Goods	88	90.3	84.9	— 6
Clothing, boots, shoes, rubbers, hosiery and underwear	41	92.6	83.5	9.8
Household equipment and supplies	47	88.5	86.0	— 2.8

Armed with a list such as this, and assuming one has a good memory for the price of merchandise a year ago, one should be able to go to one's grocer and demand to know the reason why a 40 per cent drop in the wholesale price of vegetables, for instance, has not been passed on to the consumer. By the same token it will be seen that flour and milled goods as a group have declined 33.5 per cent, while tobacco has declined not at all.

Milk and milk products have dropped 15.8 per cent, while beverages are lower by nearly 22 per cent than they were a year ago.

Actual experience in the pricing of merchandise at various points would indicate that by and large the stores which have the largest and quickest turnover have been the ones to first reduce the price of consumer merchandise. This is particularly true in the foodstuff field, where the presence of huge chain store units which depend for their success largely on the rapid turnover of merchandise at a small rate of profit, have been quick to take every advantage of the rapidly receding level of wholesale prices.

Obviously the sooner retail stores generally realize the true extent and significance of the price changes in the wholesale field, the sooner the public will become encouraged to purchase in quantity, merchandise which undoubtedly they could purchase, if it were not for the hope that at some later date they will reap the benefit of lower prices.

Finally, it must be remembered that one prime factor in maintaining the cost of many lines of goods is the present high wage scale, which in only a few instances has been affected by a generally lowering price level. It is a well-known fact that in the cycle of economic depression wages are one of the last items to be affected and for many commodities it is the wage scale paid to those who make and distribute them, that affects prices even as much if not more so than raw materials.

The following table shows comparative figures for both the general wholesale and retail indices and for the foodstuffs index in both classifications:

	Wholesale Prices	Retail Prices	Foodstuffs — Wholesale Index	Foodstuffs — Retail Index
1929				
Oct.	96.7	101.2	103.8	103.2
Nov.	95.7	101.5	102.3	104.3
Dec.	96.2	101.6	103.3	104.8
1930				
Jan.	95.6	102.2	104.5	106.5
Feb.	94.0	101.9	103.0	106.0
Mar.	91.9	101.5	100.3	104.8
April	91.7	100.4	99.7	101.1
May	89.9	100.7	98.3	100.7
June	88.0	100.1	95.0	100.4
July	85.8	99.6	91.3	98.5
Aug.	84.1	98.9	88.0	96.3
Sept.	82.5	97.4	87.5	93.1
Oct.	81.4	97.1	87.9	92.8
Nov.	79.8	96.9	84.9	92.6

Canada's Sea Catch Declines in Value

An increase of some 30,000,000 lbs. in Canada's catch of sea fish and shell fish is reported for the first nine months of the current year but the value shows a decided decrease. The combined catch of all varieties was 818,570,000 lbs. for the period as compared with 788,201,700 lbs. for the corresponding period of 1929 but the value decreased to $20,566,000 from $20.656,000.

The salmon catch totals $7,619,435, an increase of $1,400,000. Lobsters, haddock and mackerel also gave larger returns but cod, hake and cusk, halibut, herring, sardines, pilchards and oysters showed decreases. The largest drop was in halibut which fell to $2,283,000 as compared with $3,206,798 in the first nine months of 1929. Cod, at $2,615,000, fell off some $445,000 while pilchard at $732,625 was off $210,000.

In September, the catch on the Pacific coast was 95,714,300 lbs. with a value of $1,580,856. Volume increased when compared with the 90,416,000 lbs. caught in the corresponding month of 1929, while value was below that of $2,036,052 last year. On the Atlantic coast the catch fell off to 65,790,700 from 104,010,200 lbs. and value to $1,260,659 from $1,759,100.

Fish Oil and Meal Output Aids Canadian Fisheries

Fish oil to the value of $1,845,000 was produced by Canadian fisheries during 1929, and 22,700 tons of fish meal with a value of $1,013,000. Of the total of 4,506,316 gallons of fish oil produced, 91,022 gallons were medicinal cod liver oil.

The fish oil was used in the manufacture of paints and was shipped to the United Kingdom, United States and the Netherlands. The fish meal was used as food for poultry and livestock and was exported to United States, Germany, Japan and the Netherlands.

The expansion of this branch of the fishing industry in Canada has been rapid during the past few years. The value of fish meal for feed has been given greater prominence by the publishing of scientific studies. On the west coast, pilchard form the chief source of the oil and meal while on the east coast herring and cod are the principal sources.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest 1930	Weekly Latest 1929	Cumulative Jan. 1. to date 1930	Cumulative Jan. 1. to date 1929
C. P. R. Gross earn. (Dec. 7)	$ 3,974,000	$ 3,705,000	$ 165,776,000	$ 193,780,000
C. N. R. Gross earn. (Dec. 7)	$ 3,694,201	$ 4,447,099	$ 209,653,102	$ 251,241,181
Car Loadings (Dec. 6)	54,571	59,521	3,012,359	3,370,377
Common Stock Index (Dec. 11)	108.8	164.0	......	......
	Monthly			
Production—				
Pig Iron, tons (October)	40.079	91,409	661,795	921,096
Steel, tons (October)	65.431	115,674	876,282	1,203,625
Newsprint, tons (November)	201,703	252,050	2,313,391	2,659,885
Automobiles (October)	4,541	14,523	143,163	248,376
Boots and Shoes, pr. (October)	1,552,392	1,936,872	14,898,392	16,756,333
Flour, bbls. (October)	1,868.575	1,527,507	13,679,945	15,852,136
Mineral Production—				
Gold, oz. (September)	177,800	161,460	1,493,959	1,426,187
Silver, oz. (September)	2,644,000	1,597,000	19,902,546	17,561,716
Nickel, tons (September)	5,122	3,350	41,909	39,609
Copper, tons (September)	13,006	10,206	117,897	87,760
Lead, tons (September)	13,502	12,471	125,484	114,351
Zinc, tons (September)	12,893	8,413	97,663	75,035
Coal, tons (September)	1,230,000	1,418,000	10.551,666	12,879,012
Natural gas, M. cu. ft. (Sept.)	1,660,000	1,613,000	20,384,986	19,835,019
Petroleum, bbls. (September)	139,950	100.800	1,038,752	790,965
Automobile Financing—				
Used Cars (October)	$ 2,475,741	$ 2,971,643	$ 29,666,142	$ 35,723,222
New Cars (October)	$ 1,266,065	$ 3,869,531	$ 27,054,381	$ 44,267,656
Construction—				
Building Permits (October)	$ 12,723,789	$ 18,073,378	$ 136,568,228	$ 204,084,467
Contracts (November)	$ 39.310,500	$ 45,375,500	$ 432,457,300	$ 544,103,000
Labor—				
Employment Index (Nov.)	112.9	124.6	......	......
Trade—				
Imports (October)	$ 78,358.351	$ 116,271,197	$ 871,816,482	$1,105,893,840
Exports (October)	$ 82,781.428	$ 119,265,558	$ 746,025,827	$ 982,823,626
Imports of Key Products—				
Rubber, lbs. (October)	4,349,000	4,079,000	52,208,866	68,675,786
Cotton, lbs. (October)	12,716,000	11,812,000	72,354,000	165,650,967
Sugar, lbs. (October)	67,778,600	92,403,300	707,347,200	710,225,900
Petroleum, crude, gal. (Oct.)	94,379,000	122,600,000	885,119,446	845,829,383
Coal, tons (October)	1,930,465	2,167,212	14,789,898	15,418,873
Exports of Key Products—				
Newsprint, cwt. (October)	3,896,395	4,024,998	34,631,795	45,933,076
Automobiles, No. (October)	2,868	9,637	38,699	83,547
Wheat, bush. (November)	31,217,624	22,444,896	185,530,670	195,984,797
Wheat, flour, bbls. (November)	792,271	538,038	6,912,884	8,968,901
Electric Power—Output—				
M. Kilowatt hours (October)	1,549,286	1,594,283	14,693,529	14,495,818
Population—				
Emigration (October)	2,731	7,416	38,889	59,243
Immigration (July)	8,383	16.465	80,178	117,824
Finance—				
Failures, No. (Sept.)	179	176	1,904	1,765
Failures, Liabilities (Sept.)	$ 2,081,447	$ 1,710,194	$ 36,648,414	$ 21,228,648
Bank Debits (October)	$3,617,506,967	$4,713,472,771	$31,505,449,976	$38,689,583,472
Bond Sales (November)	$ 24,318,704	$ 71,312,512	$ 672,199,304	$ 530,467,487
Insurance Sales (Oct.)	$ 46,019,000	$ 52,985,000	$ 471,314,000	$ 502,182,000
Wholesale Prices (1913=100)—				
General Index (November)	79.8	95.7	......	......
Iron and its products (Oct.)	86.9	92.4	......	......
Cottons, raw	60.8	105.6	......	......
Grains	56.5	100.1	......	......
Live stock	93.1	113.3	......	......

Business Briefs

Car Loadings during the week ended December 6 amounted to 54,571 cars or 1.5 per cent below the previous week and 8.3 per cent from the corresponding week in 1929. Eastern division loadings decreased less than one per cent from the preceding week due largely to a drop in miscellaneous loadings. Western loadings were off 2.4 per cent due entirely to drop in grain shipments since most other classes showed some increase.

Boot and Shoe production in Canada during October is reported at 1,552,392 pairs, a decrease of four per cent from September and 20 per cent from October, 1929. Cumulative production for the first ten months of 1930 was 14,898,392 pairs as against 16,756,333 pairs in the corresponding period of 1929.

Wheat Exported from Canada during November amounted to 31,217,624 bushels which had a value of $21,676,080 as compared with 22,444,896 bushels shipped in the corresponding month of 1929, having a value of $28,550,931. During the four months ended November 30, 1930, there was a total of 106,458,180 bushels shipped, valued at $85,764,655, while, in the same period of 1929, shipments amounted to 60,732,824 bushels valued at $82,022,852.

Creamery Butter in cold storage in Canada as at December 1 amounted to 28,727,948 lbs., an increase of 61.14 per cent over the amount in storage on December 1, 1929, and a decrease of 14.74 per cent from the previous month. Cheese, eggs and frozen fish show an increase from last year's figures while pork stocks, beef stocks, lard, veal, mutton and poultry are down.

Commercial Fish are not found in Hudson Bay according to a study of conditions undertaken during the past summer by the Dominion Department of Fisheries. In addition to absence of fish the presence of white whales precludes the use of drift nets and strong currents and unfavorable bottom in parts of the bay were other adverse factors.

Wheat Stocks on hand in Canada on December 5 are reported at 210,550,714 bushels as compared with 205,319,398 bushels for the previous week and 227,451,697 bushels in the corresponding week of 1929. The total export movement during the week from Canadian ports was 4,370,526 bushels while 1,190,000 bushels of Canadian wheat cleared United States ports.

Wheat Bushel Has Net Value Of 56 Cents

Wheat deliveries at country stations in the prairie provinces during the four months ended November 30, amounted to 222,472,000 bushels with a net money value of $125,007,003, according to figures compiled by the W. Sanford Evans Statistical Service. This compares with 196,586,000 bushels of wheat delivered during the corresponding period of 1929, which had a net dollar value of $240,200,215.

On this basis the average net return per bushel delivered was 56 cents, as compared with $1.22 in 1929.

Of the total delivered in the four month period, Manitoba accounted for 35,295,000 bushels valued at $22,398,539; Saskatchewan had 101,067,000 bushels valued at $56,824,525 and Alberta had 86,110,000 bushels valued at $45,783,939.

AVERAGE SMALL GAIN IN MUNICIPAL COSTS

Expenditures Per Capita of 17 Cities Reported at $44.89 in 1929

Expenditures on municipal government increased from $44.80 per capita in 1924 to $44.89 in 1929 in 17 Canadian cities according to figures compiled by the Citizens' Research Institute of Canada. While the average increase has been only 0.2 per cent during the period, there have been much greater variations in the different parts of Canada. In the western cities the average cost dropped 5.27 per cent, from $53.54 to $50.72; Ontario increased 3.59 per cent from $47.95 to $49.67; Quebec increased from $33.79 to $37.61 or 11.3 per cent while in the Maritimes the average per capita cost rose from $26.45 to $28.14, or 6.39 per cent.

The tendency has been for per capita costs to increase more rapidly in Quebec and the Maritimes than in Ontario although costs in the latter province are still higher.

The Institute points out, however, that efficiency of municipal government can not be directly measured by per capita expenditures as compared with those of other municipalities of similar character since many other factors enter. Some of these factors are the age of the municipality, the ease with which it can be developed, the extent to which it is supplied with local improvements, and the quality of service rendered for the expenditures.

The Institute feels, however, that the per capita figures represent a true measure of the trend of costs since the figures are prepared annually on the same basis and are based only on the net expenditures from local revenues and do not include revenue and expenditure on all self-supporting services.

The 17 cities studied are the largest and most representative of each of the provinces from Victoria on the west to Charlottetown on the east. Compared with 1928 figures, seven showed a decreased per capita net expenditure in 1929. These cities were Victoria, Calgary, Regina, Saskatoon, Ottawa, Montreal and Saint John.

AUTOMOBILE OUTPUT WAS LOW IN OCTOBER

Fell Off 43 Per Cent from September Production

Production of automobiles in Canada in October amounted to 4,541 cars, the lowest output reported for any month of the current year. Production was 43 per cent under that of September and 68.7 per cent under that of October 1929. Based on the monthly index of the Dominion Bureau of Statistics, which takes seasonal variations of output into consideration, the output of the month was 75 per cent below normal.

All types of cars were affected. Open passenger cars dropped to 822 from 1,289 shown in September; closed model passenger cars dropped to 2,303 from 3,570; trucks to 315 from 509 and chassis to 1.096 from 2,583.

The total production for 1930 to the end of October was 143,163 cars as against 248 376 cars in the corresponding period of 1929, a drop of 42 per cent and 35 per cent below the total of 221,188 cars produced in the 1928 period.

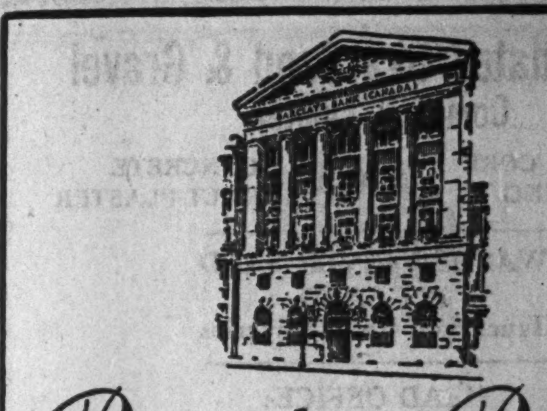
Adding the number of cars manufactured in Canada for home use and 21,673 cars imported, in the first ten months, shows a total of 127,126 cars available for Canadian consumption as against 206,245 in 1929. The number of imported cars has dropped from 42,618 in the 1929 period. Exports total 38,990 cars as compared with 91,499 cars in the same period of 1929.

Automobile Financing Shows Continued Drop

The total of automobile financing in October amounted to $3,763,821 and shows a decrease of 45 per cent from the corresponding month of 1929 while the total for the first ten months of 1930 was $56,742,538 or 29.1 per cent below the total during the same period of 1929. The October figure also shows a decline from the figures for the previous month.

The total number of cars financed in October dropped to 2,306 or 53.2 per cent below the number financed in October, 1929, while the dollar volume was $1,278,340, down 67 per cent. The number of cars financed dropped 800 below the September figure.

The number of used cars financed was 5,719, a drop of 23.3 per cent from the number financed in October, 1929, but an increase of some 700 cars over September. The dollar volume of financing on old cars was $2,485,481, 16.4 per cent down from the corresponding month of 1929 and an advance of only $20,000 over the dollar volume in September.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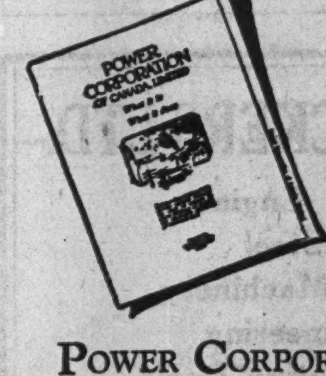

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TORONTO, ONT.
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Beaupre, Que. — Iroquois Falls, Ont.
Sturgeon Falls, Ont. — Smooth Rock Falls, Ont.
Espanola, Ont. — Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp — News Sulphite Pulp
High Grade Bleached Sulphite Pulp

The
Canada Power & Paper
Corporation
Total Daily Capacity of Plants:
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130 Tons Pure Kraft Paper
130 Tons Pure Sulphate Pulp
also producing
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Port Alfred Pulp and Paper Corporation, Port Alfred, Que.
Wayagamack Pulp and Paper Co. Ltd., Three Rivers, Que.
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Head Office:
MONTREAL QUEBEC

Canadian Pulp and Paper Industry

PAPER OUTPUT SHOWS DECLINE IN LAST MONTH

November Figures Fail to Show Seasonal Gain

From Our Own Correspondent

MONTREAL. — Production of newsprint in Canada during November amounted to 201,703 tons and shipments to 213,673 tons. This compared with production of 213,817 tons in October and 252,046 tons in November, 1929, according to figures issued by the News Print Service Bureau.

Mill stocks have been further reduced and at the end of November amounted to 40,372 tons as compared with 52,547 tons in the previous month. This steady reduction may be considered encouraging, for in September Canadian mill stocks had attained the high total of 62,495 tons.

Operated at 67.6 Per Cent

Operations in November were undertaken at 67.6 per cent of capacity as compared with 67 per cent in October, while rated capacity has risen to 11,940 tons daily, an increase of 120 tons over October. In November, 1929, operations were conducted 91.2 per cent of capacity.

Production of Canadian mills for the 11 months ended November 30 amounted to 2,313,225 tons, a decrease of 182,403 tons as compared with the same period in 1929, or 7 per cent.

Decline is Discouraging

The decline of production in November as compared with October is not encouraging. The seasonal trend in consumption of newsprint at this time is usually upward, reflecting the large volume of advertising which makes its appearance before Christmas.

The lower output, therefore, may be constructed as a fair indication of the present situation in the industry and its vital relationship to business conditions in the United States.

Fewer Working Days

The nominal gain in rate of operations, from 67 per cent in October to 67.6 per cent in November, means little. In October there were 27 working days, while in November there were but 24 working days taking the Thanksgiving holiday into consideration.

In only two months during the current year has production fallen below November figures. In February, output amounted to 189,154 tons and in September production was 195,490 tons.

Production of newsprint in the United States also showed a decline in November, amounting to 92,337 tons as compared with 105,450 tons in October and 113,729 tons in November, 1929. Shipments in November were 93,631 tons and mill stocks totalled 31,818 tons as compared with 33,318 tons in October.

Lower Rate of Activity

During November, United States mills operated at 68 per cent of capacity as compared with 71.9 per cent in October and 77.6 per cent in November, 1929. Production of 1,182,929 tons in the first 11 months of 1930 was 91,557 tons, or seven per cent less than in the same period in 1929.

To sum up, Canadian and United States newsprint manufacturers produced 294,040 tons and shipped 307,304 tons in November. This compares with a total production of 319,267 tons and shipments of 324,556 tons in October.

Mill Stocks Reduced

With reductions in mill stocks of Canadian and United States mills, a further reduction in the total has become apparent. At the end of November, stocks on hand at United States and Canadian mills totalled 72,190 tons, or the equivalent of 4.2 days average production. This compares with 85,865 tons, or five days average production at the end of October.

Newfoundland production in November was slightly lower at 24,208 tons and output in Mexico was about 300 tons higher at 1,268 tons. For the first 11 months of 1930, Newfoundland production was higher by 12 per cent as compared with the same period in 1929.

The total decrease in production of all mills was 249,212 tons or 6 per cent, in the first 11 months of 1930.

Business Men Sign Up For South American Tour

Sufficient bookings have been received for the business men's trip to South America next March to ensure that the trip is on. This tour is being promoted by the Canadian Chamber of Commerce and the Canadian Manufacturers' Association and those who take the trip will, in addition to seeing the British Empire Exhibition at Buenos Aires, visit other South American points. Already 80 business men have indicated that they will take the trip and in addition a party of 15 Canadian school teachers are going by arrangement with the Chamber of Commerce and the Manufacturers' Association. It is expected that about 150 Canadians will make the tour.

Hon. G. Howard Ferguson, Prime Minister of Ontario and new Canadian High Commissioner to London has given his endorsation of the trip as ensuring the personal contact that is necessary to intelligent understanding of business problems between nations.

Coal and Coke Production Increased During October

Coal production of Canadian mines increased two per cent during October with an output of 1,630,013 tons as compared with 1,598,659 tons in October, 1929. The increase as reported by the Dominion Bureau of Statistics is largely due to increased production of lignite coal in Alberta and, to a lesser extent, in Saskatchewan.

Imports of coal during the month amounted to 1,966,022 tons or 4.4 per cent above the average for the month during the five years, 1925 to 1929. Of the total tonnage imported 496,535 tons was anthracite of which 45,509 tons came from Russia. Coal exports during the month amounted to 47,259 tons, a decrease of 50 per cent from the October average during the past five years.

Coke production was up for the first time since April and 185,274 tons is reported as the output. The gain over the production of the month previous was nine per cent. A total of 83,352 tons of coke was imported during the month.

Port Arthur Building Gains

Port Arthur building permits this year are running to about double those of last year, the eleven months of 1930 showing a record of $1,015,895 as compared with $540,429 for the similar period of 1929.

Newsprint Mills On Short Time Basis

From Our Own Correspondent

MONTREAL. — A rumor to the effect that St. Lawrence Paper Mills would close down its Three Rivers mill has been officially denied.

During recent months a number of newsprint mills have been put on short time, or closed down entirely.

Abitibi's plant at the Soo has been more or less inoperative for some time.

Thunder Bay Paper's plant has been working intermittently, while Canada Power and Paper's mills have been on part time operations, the St. Maurice mill being closed down a few weeks ago. In respect to St. Lawrence's mill, operations are being carried on on a five-day-a-week basis, with machines running at 50 per cent of capacity.

DONNACONA PAPER ACTIVITIES RESULT IN SMALL DEFICIT

Expect Report to Reflect Existing Situation in Industry

From Our Own Correspondent

MONTREAL.—It is reported that a small deficit will be shown in the annual report of Donnacona Paper Co. covering operations in 1930. This will compare with net profits of $2,904 in 1929 and $62,371 in the preceding year.

Last year earnings were $829,861. The sum of $201,957 was set aside for depreciation and depletion and bond and debenture interest totalled $625,000.

The company's mill is capable of producing 230 tons of newsprint daily. Equipment comprises one 234 inch and two 160 inch machines.

Manufactures Insulating Board

In addition to manufacturing newsprint and other pulpwood products, the company erected an insulating board mill which came into operation early in 1930. This unit has a daily capacity of 150,000 square feet of high grade insulating board products.

Control of Donnacona Paper passed to Price Bros. in 1927. Prior to that time, dividends at the rate of 12 per cent had been paid on the old common stock but no disbursement has been made on the existing issue of 150,000 shares of no par value common.

In addition to the junior securities there were outstanding at the end of last year $7,000,000 of 5 per cent first mortgage bonds and $4,000,000 of 6 per cent debentures.

The company's total supply of pulpwood, owned and controlled, totals about 5,400,000 cords, while it owns water powers having a present development of 7,600 h.p. and an ultimate capacity of 46,000 h.p.

The common shares which are listed on the Montreal Stock Exchange seldom make their appearance in trading; recent quotations have been in the neighborhood of 14.

I. P. OCTOBER NET COVERS DIVIDENDS ON SENIOR STOCKS

Declares Regular Payments on Both Preferred Issues

From Our Own Correspondent

MONTREAL. — International Paper & Power Co. has declared regular dividends on its 7 per cent and 6 per cent preferred stocks. The shares have been selling at levels which yielded about 20 per cent, a figure which appeared to be discounting a dividend reduction.

The company, however, reported earnings for October and preliminary figures for November in excess of preferred dividend accruals, while indications are that earnings for the entire final quarter will exceed preferred dividend requirements for that period. This substantial increase in profit is explained as partly due to seasonal influences and also to increased income from Canadian power properties, lower administration expenses and more efficient paper mill operations.

Earnings for Nine Months

For the nine months ended September 30, 1930, net profits of International Paper & Power Co. were $2,245,985 as against preferred dividend requirements of $4,874,247. During the current quarter, large additional contract deliveries of power have been commenced with a subsequent increase in revenue. In November, the regular dividend on the class "A" shares was deferred; at that time it was pointed out that though the expected gross increase in earnings of power developments had been realized, it had been largely offset by the adverse effects of the business depression and the volume of the company's paper and pulp sales.

Not Earned Last Year

International Paper preferred shares are currently quoted around 37. The stock has sold as high as 86 during the current year. At December 31, 1929, there was outstanding $91,021,700 of 7 per cent preferred and $1,659,200 of 6 per cent preferred.

Earnings last year were equal to $4.41 on the 7 per cent stock. In the nine months ended September 30, 1930, earnings were equal to $2.47 a share on the 7 per cent preferred as compared with disbursements of $5.25 in that period.

Groundwood and Sulphite Production Still Declines

From Our Own Correspondent

MONTREAL.—Production of groundwood in Canada in October was 143,026 tons as compared with 189,977 tons in October, 1929. In the first ten months of 1930 Canada produced 1,354,841 tons of groundwood pulp as opposed to 1,647,508 in the same period in 1929.

Sulphite production also showed a decline in October amounting to 43,668, tons as against 72,247 tons in the same month last year. In the first ten months of this year, sulphite production in Canada was 504,219 tons, a decline from 611,735 tons in the first ten months of 1929.

SEEK TO LOWER PULPWOOD RATES IN ABITIBI AREA

Appeal Made to Railway Board in Ottawa

From Our Own Correspondent

MONTREAL.—Claiming that settlers in the Abitibi district who make their livelihood through the sale of logs and pulpwood have been severely affected by the situation in the newsprint and competition from Russian pulpwood, Hector Authier, member for the county, has appealed to the Dominion Board of Railway Commissioners for a reduction in freight rates on transportation of wood. The appeal may be heard before the end of the year.

Previous appeals have been made to the Canadian Freight Association and to the Canadian National Railways which serves the colonization area known as the Abitibi district. It is stated that there is a population of nearly 30,000 in the district.

Output of 125,000 Cords

Mr. Authier claims that the yearly cut of pulpwood in the Abitibi district is over 125,000 cords, of which 70 per cent is driven to Abitibi and Temiskaming paper mills by streams and rivers. There remain some 40,000 cords to be shipped by rail.

In his petition to the Canadian Freight Association, the member for Abitibi stated that the price of pulpwood at American and southern mills had been cut about $5 a cord. Prices paid last winter for peeled or rossed pulpwood ranged from $8 to $10 a cord which, he claimed, was just sufficient to provide a fair living for settlers.

Wants Lower Rates

He suggests that sale of pulpwood at present prices is not possible unless there is a cut in freight rates. It is pointed out that mills can get pulpwood delivered in their yards at prices ranging from $14 to $20 a cord. The wood producer cannot produce it for less than $10 a cord, therefore transportation charges should be lowered to fit in between.

He continued:

"That is all I want for my district—to provide the railways with freight and to provide our wood producers with means of living. It can be done by fixing a maximum rate for carrying pulpwood from points in northern Quebec to the mills in Eastern Canada or northern States, the rate in no case exceeding $10 a cord.

"In all fairness competitors cannot object to the marketing of our 40,000 cords of pulpwood, when the total production in Eastern Canada exceeds 3,000,000 cords a year."

Lumber Prices Lower

The application says there has been a drop of 25 per cent in the price of lumber and a drop of 75 per cent in the price of lath. The suggestion is made that rates for carrying lath should be temporarily cut in two as 1928 production will likely be a total loss if not sold and shipped before next summer. It is also stated that lumber is selling in the Abitibi district for less than the cost of production.

Application for a reduction of rates following the opening of the Noranda branch of the C. N. R. has been made. This branch connects in Noranda with the T. & N. O. and consequently shortens the distance from Abitibi points to southern Ontario by 100 miles.

In a petition to the Canadian National Railway one case in Abitibi was cited where a settler's pulpwood would have to be sold at low prices to meet competition from Russian pulpwood, unless there was a freight reduction in rates for shipment to the U. S. A. A combination with American lines was sought to favor the settlers.

McCOLL-FRONTENAC TRADE SATISFACTORY

President Reviews Current Situation With Notice of Dividend

From Our Own Correspondent

MONTREAL. — No reference was made regarding reports that the company was to be sold, but in the current dividend announcement, John Irwin, president, of McColl Frontenac Oil Company, stated that operations during the present fiscal year have been satisfactory.

In his letter to shareholders, the president stated:

"Nearing the close of the fiscal year, January 31, 1931, it will no doubt be of considerable personal interest to know that the operations of your company continue to show satisfactory results, in spite of the particularly unfortunate trend of business conditions during the past year. Sales of your company's products have substantially exceeded the volume of 1929, although in certain districts, due to the activities of so-called bootleggers, it has been an uphill fight.

Crude Prices Down

"Crude oil prices in the United States have been severely deflated within the past two months, and your company, in line with its competitors, have passed along to the consumer the benefit of these reductions by a general decrease of 1c per gallon in the price of gasoline; without, however, in any way seriously impairing its earning power, due, in a large measure, to the judicious purchase of crude oil and close supervision of inventory stocks. In addition, tariff action by the Government has helped to strengthen your company's position, the full effect of which will not be felt until next year.

During the past few weeks a number of stories have been circulated to the effect that large American oil interests were dickering to acquire control of McColl. These stories had no official confirmation, but sufficient interest was aroused to cause the stock to sell up a number of points. Buying was reported to be coming in from wire houses, especially those in Toronto.

Newsprint Exports Were Lower in October

From Our Own Correspondent

MONTREAL.—Exports of newsprint from Canada in October were 200,776 tons as compared with 232,441 tons in October. 1929. Exports, however, exceeded those of September which amounted to 194,820 tons.

For the first ten months of 1930, exports of newsprint totalled 1,932,367 tons of which 1,667,985 tons went to the United States. Total exports in the same period in 1929 were 2,061,322 tons.

Imports of Canadian sulphite into the United States in the first ten months of this year were down at 333,315 tons as opposed to 353,296 tons in 1929.

Groundwood imported from Canada, however, showed an increase in October while the ten months' total was 211,333 tons as compared with 198,725 tons in the same period in 1929.

CANNERS PLANS NOT AFFECTED BY CAMPBELL'S

New Soup Co. Will Probably Slow Up Rate of Advance

DIVERSIFICATION AIDS

Company's Success in Recent Years Should Continue—Always Expected Competition

Canadian Canners, which is understood to have gained 45 per cent of the soup market in Canada, is not expected to be affected adversely by the establishment in Toronto of the Campbell Soup Co. except in so far as the new competition slows up the rate of expansion shown in recent years in this department. Campbell Soup Co. will be first busy in supplying the 20,000,000 cans of soup which it has been exporting annually from the United States to Canada and it is possible that it will try export to various parts of the British Empire wherever preferential arrangements give it a chance.

The policies of the two companies evidently will be quite different. Campbell Soup Co. will be concentrating mainly on soups and bring materials bought to this central plant in Toronto. Canadian Canners has followed the plan of decentralization of canning operations, and all its 61 canning factories are situated at points in Ontario, Quebec and British Columbia where it is right in the centre of districts which grow the supplies they need. Beside soups it cans fruits, vegetables, jams, jellies, catsups, meats and other products.

Ontario Vegetables Preferred

Every such district has been educated to the types and qualities of produce which the company requires for canning, and the success of Canadian Canners as a whole rests on the fact that it has built on the experience of individual canneries and their managers going back for decades in the districts where they operate. At the same time research work for the benefit of all canneries and the sale of good seeds to farmers go on concurrently.

The soups are made at the Simcoe plant and it is the full intention of the company to push the products on the basis of merit however many competitors enter the field. The company has always contended its soups are better than those imported, one reason given that tomatoes and other vegetables grown in Ontario specifically for canning have a better flavor than those further south. The Toronto branch of the Campbell Soup Co. will now be buying its tomatoes and other materials in Ontario so that it is quite possible that its products will be even better than that of the United States company when it has got over the inevitable first stages and found its feet in the Canadian market.

Price War is Not Likely

A price war is not a likely result of the entry of the Campbell Soup Co. Campbell soups are now selling in Canadian stores at 12 cents a tin, whereas most of the Aylmer brands of soup of Canadian Canners are selling at 10 cents a tin or two tins for 19 cents. In view of the prices at which Campbell soups are now selling in the United States, it is likely, however, that Campbell soups will sell in Canada lower than at present when the factory is completed and possibly just as low as the Canners product.

Canadian Canners, having many diversified lines, and being better financed than ever it its history, has an excellent opportunity for the next few years. The progress made in the last few years has placed it in an excellent position to stand a time of business depression. Like most stocks of well-financed food companies with much-advertised products it stands a depression better than stocks of most companies in other industries. There may be some effect in earnings as a result of the fact that sales at retail of peas and some other types of canned goods are now proceeding at much under last year's prices. Much of this selling comes, however, from independent canneries with limited production and a keen need for cash. Canners, with strong working capital is, under no pressure to sell except on a good reasonable world basis.

Brewing Corp. Calls Shareholders Meeting

Control of Carling Breweries Ltd. will give Brewing Corp. of Canada control of 40 per cent of the total brewing capacity of Ontario it is stated in a letter calling a meeting of preferred shareholders of Brewing Corp. for January 6. The preferred shareholders are asked to authorize issuance of additional preferred stock up to 30,000 shares for the purpose of acquisition of Carling Breweries Ltd. or of shares or assets of any other companies engaged in the brewing business. The shares will be issued at prices to be determined by the directors.

It is stated that the company has now acquired approximately 95 per cent of the stock of Canadian Brewing Corp. and British American Brewing Co. and 85 per cent of the shares of Carling Breweries Ltd.

Pig Iron Output is Low; Steel Ingots Show Gain

October production of pig iron in Canada reached a new low for the fifth successive month with an output of 40,079 long tons. The decline from September was 17 per cent while September production was 16 per cent below that of August. The drop was chiefly in basic iron which fell off from 35,044 tons to 26,922 tons and in the malleable grade which fell off from 11,360 tons to 2,219 tons. Foundry iron advanced to 10,938 tons from 1,991 tons.

Blast furnace charges in October included 70,158 long tons of imported iron ore, 23,625 short tons of limestone, of which 5,499 tons were mined in Canada, and 41,179 tons of coke including 18,121 tons from Canadian coal. Four blast furnaces continued in operation as in September with a capacity of 1,750 long tons per day or about 41 per cent of the total capacity of all iron blast furnaces in Canada.

During the first ten months of 1930, the total production of pig iron has been 661,795 long tons as compared with 921,096 long tons in 1929 and 838,659 in the corresponding period of 1928.

Production of ferro-alloys increased 72 per cent in October over the previous month but the production for the first ten months of 59,877 tons is well below that of 72,649 tons in the corresponding period of 1929. Steel ingots and castings production amounted to 65,431 tons and marked the first increase in the seven months since the high monthly output for the year was made in March with 117,487 tons. Basic open hearth ingots and electric ingots accounted for the advance during the month and steel castings fell off slightly.

Basic pig iron fell $2 per long ton in October and at $18 was selling at the lowest price since 1914. Demand was in small lots to cover immediate needs and stocks in hand remained low.

Wool Growers Get Payment

The Canadian Co-operative Wool Growers announce that $150,000, as an additional payment for wool, is being distributed throughout the Western Provinces immediately. This money is going to individual growers and associations who consigned wool during the past season, and is over and above all previous payments made. Plans for a similar distribution to Ontario shippers are also being worked out.

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Your Investments

Questions and problems on Canadian investments submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram.

Belgo-Canadian

In view of the situation obtaining in the newsprint industry today I would like to have your views on the first mortgage bonds of Belgo-Canadian Paper Co. Are these bonds in danger?

Belgo-Canadian 6 per cent first mortgage bonds occupy a strong position, despite the unsatisfactory situation in the newsprint industry. These bonds constitute a prior charge on the property, and there is indication that bond interest will be paid in the future. As you know, the company is controlled by Canada Power & Paper and any default in bond interest would bring about a serious situation in the parent organization.

General Steel Wares

Do you think that earnings of General Steel Wares will show sufficient improvement to warrant a payment on the common stock next year? I have considered buying some of the stock.

General Steel Wares' position has been improved through new tariff regulations affecting some of the products of the company. It would appear, however, from the financial returns of the past two years that the company has a heavy capitalization. There is no reason to expect any payment of dividends on the common stock for some time to come. We have been informed that large sums have been put into property out of earnings. We do not look for any marked change in the position of General Steel Wares in the immediate future.

Canada Cement

Please give me your opinion on the preferred shares of Canada Cement Co. of which I hold a small block. Do you think the common is attractive?

Canada Cement Company preferred is a sound stock. The company occupies a strong position in the industry it serves. Earnings in the past few years have been satisfactory, while a considerable portion of profits each year have been turned back into plant additions and improvements. Although the company is rather highly capitalized, its policy of ploughing back profits into plant has strengthened the position of the common stock, which although speculative at present, has possibilities in the light of a long hold.

International Power

As a reader of The Financial Post I would like your opinion on the preferred shares of the International Power Co. Has the company done well and what do you think of the common stock?

International Power preferred must be considered relatively unattractive until a better earning power has been established. The company has made little progress, from an earnings standpoint, since its inception, while profits for the current years are not expected to show much improvement. Subsidiaries operating in South America have experienced some difficulty, although progress has been made in Porto Rico and Newfoundland. The common stock is speculative.

Canada Power

My holdings of Canada Power & Paper debentures have depreciated materially in value. Is the company going to pass its interest? What is the outlook for the company and how do you regard the debentures?

Canada Power & Paper Corp. has been affected by the lower demand and present prices of newsprint, with the result that earnings are likely to be below debenture interest requirements this year. We understand, however, that there is little likelihood of interest being defaulted, at least in the near future, although current market levels reflect the investing public's lack of confidence in this issue.

There are indications that the newsprint industry is making some headway toward consolidating its position, and any improvement should be reflected in operations of Canada Power & Paper, which is the largest operator in Canada. There appears to be little chance of an improvement in prices; accordingly, tonnage is the all important question. Canada Power in this respect has strengthened its position by its recent acquisition of Anglo-Canadian and an agreement with the Hearst interests.

Canada Steamship Lines

Please advise as to whether I should sell Canada Steamship Lines six per cent general mortgage series A and Sterling Coal six per cent first mortgage bonds at present prices or whether I would be better advised to hold for a recovery.

In our opinion the 6 per cent first general mortgage bond series A of Canada Steamship Lines Ltd.. represent a well-secured investment, and should be retained. While the company has passed the dividends on the preferred stock, due to the falling off in the volume of grain shipments, we do not feel that this in any way suggests that the bond interest will not be met. The company has earned its bond interest by a good margin for a number of years and, while present conditions are not as satisfactory as in the past, it is probable that the company will earn its bond interest this year despite adverse conditions.

Present quotations on the Canada Steamship bonds would appear fully to discount the position of the company and when business improves the bonds will undoubtedly be quoted at a much higher figure. Until that time comes we would not suggest that you were warranted in selling your bond.

Sterling Coal Co. covered a bond interest requirement by the very slightest margin during the year ended March 31, 1930, and during previous years has not had a good record. The company has been adversely affected by unsettled conditions in the coal mining industry, and at the present time there is no indication that these conditions are going to improve in the immediate future.

It would probably be advisable for you to sell your Sterling Coal bond as undoubtedly you could secure an investment with much higher security. There is one point, however, which should be noted, which is that the bonds are callable at 105 per cent of par and interest. Sinking fund of 2 per cent of the par value of the bonds issued is set aside each January and tho principal amount of bonds outstanding has been reduced annually, so that of an original issue of $1,750,000, there remains only $746,600 outstanding.

Catelli Macaroni

I bought some Catelli Macaroni Products "A" shares some time ago at about $30 a share. Now I notice they are quoted around $12. Why have earnings fallen off? Would you advise me to buy more stock to even up my losses or should I sell?

If you are prepared to hold on to your "A" shares of Catelli Macaroni Products Corp. for some time we would not advise that you sell at current levels. The company's earnings during the year have been affected by general business conditions, while inventories have been deflated by low prices for wheat. Although the company has not had time to demonstrate its earning power over a period of years, it should improve its position in the future, as it occupies a relatively strong position in the industry it serves in Canada. On the other hand, we would not advise that you purchase additional stock in an effort to average your loss. If you are able to make further investments at the present time, we think you would do well to buy some leading stocks which are likely to reflect any improvement in business conditions quickly.

Alberta Grain

Among my holdings are some shares of Alberta Pacific Grain Co. I have considered selling my stock though such a step would entail a substantial loss. What would you advise?

We are of the opinion that the market has fully discounted the situation in regard to Alberta Pacific Grain and that, if you are in a position to hold, there would be no particular advantage in disposing of your stock at present levels. Alberta Pacific has received a hard knock, but through sound management ought to be able to re-establish its position. This will likely take two years or more, depending upon conditions in the Western grain industry.

Canadian Pacific

I am considering the purchase of securities which will yield me 6 per cent or better. While there are several bonds which offer attraction I have considered the shares of Canadian Pacific Railway. What do you think?

You can buy Canadian Pacific Railway shares at current levels to yield slightly over 6 per cent. The company's record is one of progress over a long period of years, and although operations in 1930 have not been as satisfactory as in the previous year, it is expected that the dividend of 10 per cent will be earned. Outlook for the future is more encouraging. The decline in earnings this year has been due to an unusual situation in the grain market combined with the business depression; there is reason to believe that 1931 will show improvement. In addition to relative security of dividends payments, an investment in C. P. R. stock offers a chance for appreciation in share values in the future, while an active market for the stock is obtainable at all times.

G. B. & C. Invest. Trust

Can you give me any information on Great Britain & Canada Investment Trust. I am considering selling my debentures. What is the market?

At the present time there is little information available on current operations of Great Britain & Canada Investment Trust. There is a nominal market for the debentures of 80 to 85, but no active bidding. We do not think that there is any immediate need to switch from this debenture, especially in a dull market like this. Perhaps it would be better for you to hold on until market conditions improve, when you might consider transferring your holdings in this trust to some other security.

Imperial Tobacco

I hold some shares of Imperial Tobacco. Can these be considered a satisfactory investment?

Imperial Tobacco is an investment stock. The company has an excellent record and further progress may be expected. The company is by far the largest tobacco manufacturer in Canada and the merit of its shares has been reflected in their remarkable stability in the recent market decline.

Can. Hydro-Electric

I would be obliged if you would give me an opinion on the preferred shares of Canadian Hydro-Electric Corp. I have considered selling this stock and would like your opinion.

Canadian Hydro-Electric Corp. has been steadily improving its position, both in respect to earnings and production. During the past year it has substantially increased its output of electric energy, which in turn should be reflected in larger earnings. Capital expenditures by this organization are considered to be high in respect to the waterpower developed, but, on the other hand, the claim is made that the additional cost went into superior materials with a view to cutting down depreciation charges. Whether this will prove to be the case, remains to be seen. At the moment, we do not think it advisable to dispose of the shares at a loss, especially as market conditions are not favorable for selling.

Donnacona Paper

I would like to make use of your enquiry service to ask for an opinion on the 6 per cent debentures of Donnacona Pulp & Paper Co. Do you regard these as satisfactory?

Donnacona Paper Co. 6 per cent debentures can be regarded as a satisfactory investment in their class. Although over-production and low prices have brought about a serious situation in the newsprint industry, Price Bros. & Co., controlling Donnacona, has managed to maintain the position to date. Recent expansion of Donnacona into the manufacture of wallboard may prove helpful, while the low cost of production at this mill should enable it to make headway.

Canadian Bronze

Has Canadian Bronze Co. done well this year? I hold some of the stock but am seeking information on operations in 1930.

Canadian Bronze Co. earned its full common dividend requirements for this year in the first eight months of operations—a considerable achievement in such a period of railroad inactivity. The company does about 70 per cent of the railway replacement business in bearings and bushings, a factor which affords a valuable backlog for operations. The preferred stock is being steadily redeemed, there is no funded debt, and eventually it may be expected that the common shares will become the sole charge against the property. In addition, Canadian Bronze operates under a strong management.

Burns & Co.

I want to buy 40 shares of Burns & Co. preferred stock. How many shares of common would I get as a bonus?

The 6% cumulative preferred stock of Burns & Co. was sold in May, 1928, at 100 and accrued dividends to yield 6 per cent, carrying a bonus of one quarter of one share of common stock and the right to purchase one quarter of one share of common stock at $30 per share, up to July 1, 1933. You do not necessarily get any common stock with a transfer of the shares now, unless that is specially bargained for. The right to buy additional stock would only be valuable when common stock sells in the market at more than $30 a share. We see little chance of that in the near future.

United Grain Growers

One of our clients has considerable money invested in the Petroleum Royalty Co. and the Royalty Corp. of America, both of Tulsa, Oklahoma.

Being regular readers of your paper we understand that you do not make a practice of investigating companies south of the line but trust you are much better informed on the standing of these companies than what we are.

Our client has recently had an opportunity to realize his full commitment on these stocks and we have recommended that he sell them and invest the proceeds in United Grain Growers Ltd. at current prices. What would be your opinion of such a switch?

You are correct in supposing that we do not make a practice of investigating companies south of the line. However, prevailing curtailment programmes, the lower prices for crude oil and the fact that there is little let-up in the bringing in of new production leads us to regard the switch that you have suggested as safer for your client.

United Grain Growers has a good record, but an unprofitable year was experienced in the year ending July 31, 1930. The total deficit for the period was $414,850, including $139,713 of operating loss, and $249,644 provision for interest on bonds and mortgages and $25,492 provision for depreciation on assets of subsidiary companies. There is still a surplus in profit and loss account of $941,533. After paying the 6 per cent dividend of $190,834 the surplus carried forward was $750,699. The company also has a general reserve of $1,710,282. Working capital was good and there were no bank loans. The prospects are good for the company when the wheat tangle is once more smoothed out. The company showed good earnings in every year for seven years except last year.

Deeded Royalty Interests

Will you please give me your opinion on Deeded Royalty Interests being sold by Canadian Associate Companies Ltd.?

Deeded Royalty Interests being sold by Canadian Associate Companies, Ltd., is for oil-bearing land in Oklahoma. Canadians buying royalty interests on properties so far south that they cannot investigate for themselves take great chances of paying a great deal more than they can sell for again.

The value of such interest is somewhat lower now, because of the programme of curtailment in Oklahoma and the lowered prices of crude oil. These royalty interests are for one-eighth production as a rule on property which the royalty covers. Therefore curtailment programmes and the price for crude oil have a definite effect on their earnings.

When Women Invest

A WEEKLY FEATURE

A Long List

I am enclosing a list of 100 securities I hold to see what you would suggest about them. They are a bit diversified. Would you make the list smaller in any way? I also wanted your opinion of my bonds.

What chances have I of getting my money out of the two investment trusts, London-Canadian and Consolidated Investment Corp.?

I have $1,800 in Postal Telegraph bonds, my sister was advised by a Toronto broker to sell her stock. Could you tell me if it is advisable to sell the bonds, too? It would be quite a loss. In the event of selling, what stock would you suggest that would give a fair chance of appreciation in value so that I could reinvest the money in a bond later.

Would you sell McColl-Frontenac and buy Imperial Oil?

I hold Northern Bakeries bought at 29. On reading your stock analysis recently I would like to know your opinion as to selling it and buying Loblaw which is selling at about the same price. Is there anything you would switch Moore Corporation common to?

Your bond investments are well chosen and there is reasonable safety for even those that have least security. The lowering of returns through the newsprint industry has had its influence on earnings by these companies, but your bonds of the St. Maurice Valley Corp. and of the Howard Smith Paper Company, the latter company making fine paper, appear to be well protected.

In view of disturbed conditions in many of the countries of South America your holdings of International Power Co. are for the time being in doubt. Probably the situation is worse in Bolivia than the other countries where the company's subsidiaries function, but if there is no major mishap before the world straightens out once again after this present disturbed period of trying to accommodate business to a lower level of prices, the prospects for that later period should be good.

The advice given your sister with regard to Postal Telegraph stock was good. The company's situation has not been improving but strenuous measures are being taken to get as much revenue as possible. These 5 per cent collateral trust bonds or debentures due July 1, 1953, were first offered in exchange for preferred stock of the Mackay Companies and bonds and debentures of the Commercial Cable Co. on the basis of $80 principal amount of this issue for each preferred share and $900 principal amount for each $1,000 bond or £206 debentures. The company earned 2.01 times the interest necessary on the bonds after depreciation in 1928 and this increased to 2.17 in 1929. On the whole we think that these are well guarded and the fact that Postal Telegraph and Cable Corp. is controlled by International Telephone and Telegraph Corp. should make debentures safer.

It is not guaranteed by them but that company would certainly not want to see the interest not paid.

We cannot pass an opinion on Beauharnois 6 per cent bonds until we know just what securities will be issued by the company when its power project is ready to deliver power. On the whole prospects are that sufficient revenues will be on hand to look after the bonds without difficulty.

We do not think that you could do anything with your Consolidated Investment Corporation 4½ per cent bonds and your London Can. Investment Corporation securities to advantage at the present moment. There are $125 in underlying bonds of Consolidated Investment Corp. for every $100 outstanding.

Securities in the portfolio of these companies showed depreciation after the great fall in market securities a year ago in October and November, but on the whole they stood up quite well. Holdings of an investment trust security like this would be better held until in the course of time another active period on the stock market comes.

Your other securities good for continued holding would seem to us to be C. P. R., Consumers Gas, B. A. Oil, Standard Oil of New Jersey, Standard Oil of New York, Provincial Paper preferred, Howard Smith preferred, Simpson's Ltd. preferred, B. C. Power A and B, Shawinigan, in spite of recent rumors, Bell Telephone, International Telephone and Cable, American Telephone & Telegraph, Moore Corp., Dominion Tar and Chemical preferred and common, and Brazilian common. The price of the latter security will depend to a large extent on the progress of general business in Brazil and the ability of that country to maintain its exchange at a reasonable figure with the rest of the world. At the present time the situation is anything but comforting and it may take a few years to get out of the doubtful column at least. However, if this situation straightens out the long holder of Brazilian should profit considerably.

So far as present reports of Moore Corporation go we would not advise you switching. The company's record to date suggests that when times are good it may still further advance in importance.

We would not consider a switch from Northern Bakeries to Loblaw A. or B. unwise. On the whole we think there is less competition in the chain store groceteria business than in the bakery business.

Selling McColl-Frontenac at present prices and buying Imperial Oil on recessions that occur would seem to us to be a good thing to do. You would be changing from a company which has done quite well in recent years to the first and largest Canadian company.

Points to be Watched In Purchase of Bonds

Earnings, Management, Product, Tariffs, Marketability Are Some Important Factors

This is article twelve in a series of non-technical discussions on investing. Last week's article, in some manner, was labelled Article Seven, when in reality it was the eleventh in the group.

ARTICLE TWELVE: SELECTING BONDS

Bonds are purchased by individual investors, by small and large corporations, by insurance companies and other institutions, and by banks. In each case, the purpose of such investment is to secure as large a return as possible with safety. The principal must be kept intact while it is drawing interest. When bonds carry with them a large element of risk, they cease to possess their one most important characteristic—safety.

Government of Canada bonds, of course, provide safety of investment to the highest degree. But the return is small. Can the conservative investor go beyond the limits of government bonds to secure a higher return? Most assuredly he can. It is possible by the purchase of public utility or high-grade industrial bonds to receive at least one per cent per annum more without risking his savings to any appreciable extent. Beyond this extra one per cent, however, caution is necessary to avoid the many bonds or debentures which, because of their name, seem to be safe, but which, in reality, may not be any safer than many common stocks.

What Kind of Bond?

In order to determine how safe a bond is, you must know whether it is a first mortgage, debenture or other form of fixed income bearing security. You must examine the assets securing the bond. Are they substantial, or may they be easily dissipated? Has the company been a success in the past, or is there such a positive guarantee of its success in the future that you need not worry about the interest being readily paid? If not, you may well be skeptical of the safety of your funds.

As mentioned before, marketability is a most important factor in many cases. Can the bond be quickly and inexpensively disposed of? The importance of this feature rests upon the nature of the investment.

The management of a company should be examined. Is it honest and conservative? Inefficient or dishonest management may dissipate the assets behind your bonds, rendering them practically valueless.

Is the company facing severe competition? Do tariff changes abruptly alter the trend of its earning power? Does the company manufacture more than one product, or is its future wrapped up in the success of a single article?

Conversion Privileges

These are a few of the important questions which you should ask yourself when about to buy a bond. The interest return which you receive will depend upon how good an answer you demand. Naturally, you cannot obtain 7 per cent and at the same time a high degree of safety, marketability, etc. You cannot have your cake and eat it too. But the canny investor is on the lookout for bargains—endeavoring to search out a real good bond which, nevertheless, will bring in 6 or even 6½ per cent. Sometimes a conversion privilege or stock purchase warrant may be thrown in as well.

To summarize: do not hesitate to take the trouble of checking the following points when buying a bond:

1. Position of bond in capitalization of company.
2. Assets securing bond.
3. Earnings available for interest.
4. Management.
5. Marketability.
6. Type of industry, tariffs, fashions, etc.

First Loss Often Smallest

In considering the advisability of retaining or selling a bond, all of the above facors must be observed. Trends in a particular industry may so alter the position of the company, whose bond you own, that it no longer measures up to the standard which you have set for the safety of your funds. The right thing to do in such a case is to sell the bond, but here the condition of the market may render it inadvisable to sell at the moment. If you have reason to believe that your bond is no longer desirable as an investment, do not sell it at any price, but keep your eye on the market (by calling your investment banker) and watch for a propitious time of disposal. Do not, however, hestitate to sell the bond at a loss—because there is a loss. "The first loss is often the smallest" is an old saying in the world of finance, and is true in many cases. If you wait too long, the small loss which you would have sustained by selling may have become a loss of real importance.

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Markets

WEEK ENDING DECEMBER 15

Range 1930 High	Low	Divd. Rate $	Yield in % Dec. 13		Close Dec. 8 (or last)	Week Ending Dec. 15 High	Low	Close
42¼	8¼	.	...	Abitibi, c.	10½	10⅛	9	9
110	103	7	6.79	Do. pref.	103	..	..	..
87	36	6	14.62	Do. pref.	41	41	40	40½
14	6	.	...	Agnew Surp., c.	8	8	8	8
95½	86¼	7	8.11	Do. pref.	87	87	86¼	86¼
28	5	.	...	Alta. Pac. Gr.	6⅝	6¼	6¼	6¼
91	39	.	...	Do. pref.	39	..	..	..
15	3¾	.	...	Amal. Elec.	5	5	5	5
39	18	3	16.66	Do. pref.	19	18	18	18
8	2½	25c	...	Anglo-Nor. Hold.	2½	..	..	..
3¾	¼	.	...	Asbestos, c.	½	½	¼	¼
15	1	.	...	Do. pref.	2	1¼	1¼	1¼
18	6½	1	14.28	Assoc. Brew.	8	8	6½	7½
95	72	7	9.72	Do. pref.	72	..	..	..
18⅜	10	1.50	15.00	Assoc. Can.	10	..	..	..
87½	87½	6	...	Assoc. Tele.	..	..	..	..
17½	4½	.	...	Atlan. Sugar	15¾	17½	11	12⅛
81	40	.	...	Do. pref.	75	75½	72	72
175	168	10	5.88	Bk. Can. Nat.	170	170½	169¾	169¾
325	280	12+2	4.96	Bk. of Montreal	284	285	280	280
355	314	16	4.99	Bk. of N. Scotia	320	323	320	320
262	232	12+1	5.59	Bk. of Toronto.	232	233	232	232
30	21	1.50	...	Barcelona Tr.	21	..	..	..
10½	5	.	...	Bathurst Pr.	5⅛	6¼	5	5
4½	2¾	.	...	Do. (B)	3¼	3½	3⅛	3½
26	26	50c	...	Bawlf Grain	26	..	..	..
83	74¾	6.50	8.69	Do. pref.	74¾	..	..	..
22½	14	40c	2.85	Beath & Sons	14	..	..	..
33	20	2	9.75	Beatty Bros.	20	21¼	20	20½
92	75	6	7.50	Do. pref.	80	80	80	80
15½	7	.	...	Beauharnois	8	8½	8	8¼
130	90	7	7.60	Belding Cort.	90	92	92	92
110	98½	7	7.00	Do. pref.	100	..	..	..
101	81	7	8.64	Belgo C. P. pf.	81	..	..	..
[illegible]								

Range 1930 High	Low	Divd. Rate $	Yield in % Dec. 13		Close Dec. 8 (or last)	Week Ending Dec. 15 High	Low	Close
31	8	.	...	Hayes Wheel	10	..	..	..
95	80	7	8.75	Do. pref.	..	80	80	80
50	50	.	...	Hillcrest Coll.	50	..	..	..
91	91	7	...	Do. pref.	91	..	..	..
17	4⅝	.	...	Hinde & Dauch.	5	5	5	5
120	120	3	2.50	Holt, Renfrew	120	..	..	..
96¼	90	7	7.77	Do. pref.	90	..	..	..
13	5	.	...	Honey Dew	6	..	..	..
64	55	7	12.72	Do. pref.	55	..	..	..
25	20	2	10.00	Humberstone	20	..	..	..
28	17⅛	1+50	8.33	Hunt (A)	18	18	18	18
30	19	1+50	7.89	Do. (B)	19	..	..	..
157	150	8	5.29	Huron & Erie M.	150	151	151	151
31	29	.	...	20% paid	29	29	29	29
55	23¾	2	8.16	Hydro Electric	24	24½	24½	24½
245	216	12+1	5.90	Imperial Bank	220	221	219	219
29¾	15⅞	50+50c	6.06	Imperial Oil	17	17½	16	16
10½	9	35	3.78	Imperial Tob.	9¼	9¼	9	9
53¾	23	2	8.29	Int. Hyd. E., A.	28½	24⅛	23	23
105	95	7	6.93	Inter. Mill., pf.	99½	101	101	101
92	88	6	6.81	Do. Series A.	88	..	..	..
44½	14⅝	1	6.78	Inter. Nickel	17½	17¾	14⅞	14¾
17½	10	1	10.00	Inter. Paints A.	12	10	10	10
b31⅜	5¾	.	...	Inter Pap. & Pr.	6¾	7	5¾	5¾
b22¾	4	.	...	Do. (B)	5	4	4	4
b18	2	.	...	Do. (C)	3	3	2	2
b86	35	7	...	Int. Pap. pfd.	38¾	38¾	35	36⅞
24	12¼	1	7.01	Inter. Pete.	14½	14¾	12¼	12⅝
18	8	.	...	Inter. Power	8½	8½	8½	8½
92	70	7	9.85	Do. pref.	73	73	70	70
51	32	3.50	10.00	Int. Util. (A)	36¼	36¼	32	33
19½	5½	.	...	Do. (B)	6½	6½	5½	5½
[illegible]								

a. Quotations for 1929. x. Stock dividend. b. New York quotations. z. No sales recorded in 1930 to date. c. Stock dividend paid Dec. 1.

Dividends Declared

	Annual Rate	Div. Declared	Date	Record
Abitibi Power & Pap. pfd.	7%	1¾%	Jan. 2	Dec. 20
Do., pref.	6%	1½%	Jan. 20	Jan. 10
Agnew Surpass, pfd.	7%	1¾%	Jan. 2	Dec. 15
Assoc. Brew., com.	$1	25c	Dec. 31	Dec. 15
Assoc. Breweries pfd.	7%	1¾%	Jan. 1	Dec. 15
Beatty Bros. com.	$2	50c	Jan. 1	Dec. 15
Beath & Sons, "A"	40c	20c	Jan. 2	Dec. 20
Belding Corticelli, com.	7%	1¾%	Feb. 2	Jan. 5
Burt, F. N. com.,	$3	75c	Jan. 2	Dec. 15
Do., pref.	7%	1¾	Jan. 2	Dec. 15
Bank of Nova Scotia	16%	4%	Jan. 2	Dec. 16
Brand.-Henderson pref.	7%	1¾%	Jan. 2	Dec. 1
Belgo-Can. Paper, pfd.	7%	1¾%	Jan. 2	Dec. 8
Bell Telephone	8%	2%	Jan. 15	Dec. 23
Brit. Mtge. & Trust	12%	6+*2%	Jan. 2	Dec. 15
Brazilian Tr. pfd.	6%	1½%	Jan. 2	Dec. 15
B. C. Power "A"	$2	50c	Jan. 15	Dec. 31
Brewing Corp.	$2.50	62½c	Jan. 2	Dec. 15
Blue Ribbon, com.	$2	50c	Jan. 2	Dec. 15
Borden—stock div.	...	3%	Jan. 15	Dec. 30
Brit. Amer. Oil	80c	20c	Jan. 2	Dec. 13
Brantford Cordage pfd.	8%	2%	Jan. 15	Dec. 20
Building Products, "A" & "B"	$2	50c	Jan. 2	Dec. 23
Calgary Power	6%	1½%	Jan. 2	Dec. 15
Canada Bread, 1st pref. & "B"	7%	$1.75	Jan. 2	Dec. 15
Canada Bud	$1	25c	Jan. 15	Dec. 31
Can. Brewing	$1	25c	Jan. 2	Dec. 15
Canada Trust	10%	5%	Jan. 2	Dec. 15
Canadian Car pref.	$1.75	44c	Jan. 10	Dec. 26
Canada Cement, pfd.	6½%	1⅝%	Dec. 31	Nov. 30
Can. Celanese, pfd	.....	3½%	Dec. 31	Dec. 15
Canadian Oil, pref.	8%	2%	Jan. 1	Dec. 20
Can. Pac. Rly.	$2.50	62½c	Dec. 31	Dec. 1
Central Can. Loan	12+8%	3+3%	Jan. 2	Dec. 15
Can. Perm. Mtge.	12%	3%	Jan. 2	Dec. 15
Can. Northern Pr. pfd.	7%	1¾%	Jan. 15	Dec. 31
Do., com.	60c	15c	Jan. 26	Dec. 31
Can. Gen. Electric, com.	$3	75c+*$1	Jan. 1	Dec. 13
Do., pref.	7%	1¾%	Jan. 1	Dec. 13
Can. Canners, com.	$1	25c	Jan. 2	Dec. 15
Do., 1st pref.	6%	1½%	Jan. 2	Dec. 15
Do., convert. pfd.	$1	25c	Jan. 2	Dec. 15
Consolidated Smelters	$12.50	$1.25+*5	Jan. 15	Dec. 31
Consumers Gas	10%	2½%	Jan. 2	Dec. 15
Chartered Trust	6%	1½%	Jan. 2	Dec. 27
Can. Cottons, pref.	6%	1½%	Jan. 5	Dec. 20
Can. Westinghouse	...	50c*+$1	Jan. 1	Dec. 19
Can. Wire Box	$1.50	37½c	Jan. 2	Dec. 15
Dominion Textile, com.	$5	$1.25	Jan. 2	Dec. 15
Dominion Bank	12+1%	3+1%	Jan. 2	Dec. 20
Dominion Glass	7%	1¾%	Jan. 2	Dec. 15
Do., pref.	7%	1¾%	Jan. 2	Dec. 15
Dominion Stores	$1.20	30c	Jan. 2	Dec. 15
Dufferin Paving, 1st pref.	7%	$1.75	Jan. 2	Dec. 24
Dominion Rubber, pfd.	7%	1¾%	Dec. 31	Dec. 20
Eastern Steel	...	50c+*$1	Jan. 2	Dec. 20
Do., pref.	7%	1¾%	Jan. 2	Dec. 20
Eastern Theatres, pfd.	7%	3½%	Jan. 31	Dec. 31
Edmonton City Dairy, pfd.	7%	1¾%	Jan. 1	Dec. 15
Fanny Farmer	$1	25c	Dec. 31	Dec. 15
Do., pref.	$2.40	60c	Dec. 31	Dec. 15
Famous Players	$2	50c	Dec. 27	Dec. 12
Ford Motor "A" & "B"	$1.20	60c	Dec. 22	Dec. 1
Foundation Co.	$1	25c.	Feb. 14	Jan. 31
Freiman, A. J., pfd.	6%	1½%	Jan. 2	Dec. 15
Goodyear Tire	$5	$1.25	Jan. 15	Dec. 15
Do., pref.	7%	1¾%	Jan. 15	Dec. 15
Gypsum Lime	80c	20c	Jan. 2	Dec. 24
Hamilton Cotton	$2	50c	Jan. 2	Dec. 15
Hayes Wheels, pfd.	7%	1¾%	Jan. 1	Dec. 20
Hollinger Mines	70c	1+*1%	Dec. 31	Dec. 16
Honey Dew, pref.	$7	$1.75	Jan. 2	Dec. 15
Hunts, "A" & "B"	$1+50	25+*50	Jan. 1	Dec. 15
Huron & Erie Mtge.	8%	2%	Jan. 2	Dec. 15
Hamilton Un. Theatres, pfd.	7%	1¾%	Dec. 31	Nov. 29
Intercolonial Coal, pfd.	8%	4%	Jan. 2	Dec. 22
Inter. Nickel, pfd.	7%	1¾%	Feb. 2	Jan. 3
Inter. Nickel, com.	$1	25c	Dec. 31	Dec. 1
Inter. Paints "A" & "B"	...	25c	Dec. 20	Dec. 12
Inter. Utilities "A"	$3.50	87½c	Jan. 15	Dec. 30
Do., pref.	$7	$1.75	Feb. 2	Jan. 16
Imperial Tobacco, ord.	7%	1¾%	Dec. 31	Dec. 3
Inter. Power, pref.	7%	1¾%	Jan. 2	Dec. 15
Inter. Paper & Power, pfd.	7%	$1.75	Jan. 15	Dec. 26
Do., pref.	6%	$1.50	Jan. 15	Dec. 26
Jamaica Pub. Ser. pfd.	7%	$1.75	Jan. 2	Dec. 15
Marcus Loew's, pref.	7%	3½%	Jan. 15	Dec. 31
Landed Bkg. & Loan	10%	2½%	Jan. 2	Dec. 15
Laura Secord, pref.	7%	1¾%	Dec. 31	Dec. 15
Mitchell, J. S., pfd.	7%	1¾%	Jan. 2	Dec. 16
Mt. Royal Hotel, pfd.	...	2%	Dec. 20	Dec. 10
Mackay Co.	$7	$1.75	Jan. 2	Dec. 12
Do., pref.	$4	$1	Jan. 2	Dec. 12
Montreal C. & D. Bank	$12+1	3+*1%	Jan. 2	Dec. 15
Montreal L. H. & Pr.	$1.50	38c	Jan. 31	Dec. 31
Monarch Mortgage pfd.	8%	2%	Jan. 15	Dec. 31
Do., com.	10c	5c	Jan. 15	Dec. 31
Moore Corp. A & B	$7	$1.75	Jan. 2	Dec. 15
Do., com.	$1	25c	Jan. 2	Dec. 15
Mansfield Theatre, pfd.	7%	3¼%	Jan. 31	Dec. 31
North Star Oil, pref.	7%	1¾%	Jan. 2	Dec. 15
Niagara Wire, pref.	$3	75c	Jan. 2	Dec. 20
Do., com.	$1.50	37½c	Jan. 2	Dec. 20
Northern Mex. Pr. pfd.	7%	1¾%	Jan. 2	Dec. 20
National Trust	14%	3½%	Jan. 2	Dec. 20
N. S. Light & Pr. ord.	$4	$1	Jan. 2	Dec. 17
McColl-Frontenac, pfd.	$6	$1.50	Jan. 15	Dec. 31
National Grocers, 1st pref.	8%	2%	Jan. 1	Dec. 15
Northern Ont. Pr., pfd.	6%	1½%	Jan. 26	Dec. 31
Do., com.	$2	50c	Jan. 26	Dec. 31
National Brew., com.	$1.60	40c	Jan. 2	Dec. 15
Do., pref.	$1.75	43c	Jan. 2	Dec. 15
National Steel	$2	50c	Jan. 2	Dec. 15
Nat. Breweries, com.	$1.60	40c	Jan. 2	Dec. 15
Do., pref.	$1.75	43c	Jan. 2	Dec. 15
Ontario Loan	12%	3%	Jan. 2	Dec. 15
Orange Crush "A" pfd.	7%	1¾%	Jan. 2	Dec. 15
Ottawa L. H. & Pr.	6%	1½%	Dec. 31	Dec. 15
Do., pref.	6½%	1⅝%	Jan. 1	Dec. 15
Porto Rico Power, pfd.	7%	1¾%	Jan. 2	Dec. 15
Premier Mines	12c	3c	Jan. 2	Dec. 12
Postal Telegraph pfd.	7%	1¾%	Jan. 2	Dec. 12
Power Corp., pref.	6%	1½%	Jan. 15	Dec. 31
Do., non-cum. pfd.	6%	75c	Jan. 15	Dec. 31
Page Hersey, com.	$5	$1.25	Jan. 2	Dec. 20
Do., pref.	7%	1¾%	Jan. 2	Dec. 20
Paramount Publix	$4	$1	Dec. 27	Dec. 5
Pressed Metals	50c.	12½c.	Jan. 2	Dec. 15
Price Bros.	2%	½%	Jan. 2	Dec. 15
Do., pref.	6½%	1⅝%	Jan. 2	Dec. 15
Provincial Paper, pref.	7%	1¾%	Jan. 2	Dec. 15
Quebec Power	$2.50	62½c	Jan. 15	Dec. 25
Real Estate Loan	7%	3½%	Jan. 2	Dec. 20
Robinson Cone	$1.50	37½c	Jan. 1	Dec. 15
Sarnia Bridge "A"	$2	50c	Jan. 2	Dec. 15
Sun Life Assur.	...	...	Jan. 1	Dec. 16
Supertest Pete. "A" pfd.	7%	1¾%	Jan. 1	Dec. 13
Do., "B" pfd.	6%	1½%	Jan. 1	Dec. 13
Do., com. and ord.	$1.30	20+50c.	Jan. 1	Dec. 13
Shawinigan	$2.50	62½c	Jan. 10	Dec. 18
Sher. Williams, com.	$1.80	40+5c	Dec. 31	Dec. 15
Do., pref.	7%	1¾%	Dec. 31	Dec. 15
Sylvanite Gold	...	2%	Dec. 20	Dec. 6
Steel of Canada, ord.	$1.75	43¾c	Feb. 2	Jan. 7
Do., pref.	$1.75	43¾c	Feb. 2	Jan. 7
Southern Can. Pr., pfd.	6%	1½%	Jan. 15	Dec. 20
St. Maur. Valley, pfd.	7%	1¾%	Jan. 2	Dec. 12
Standard Steel pfd. "A"	$3	75c	Jan. 1	Dec. 15
Service Stn. "A" & "B"	$2.60	65c	Jan. 2	Dec. 15
Standard Steel pfd. "A"	$3	75c	Jan. 1	Dec. 15
Tamblyn, pref.	7%	1¾%	Jan. 2	Dec. 23
Tip Top Tailors, pfd.	7%	1¾%	Jan. 1	Dec. 15
Toronto General Trusts	12%	3%	Jan. 2	Dec. 18
Toronto Mortgage	12%	3%	Jan. 1	Dec. 15
Twin City, com. (scrip)	...	$2	Jan. 15	Dec. 31
Twin City, pref.	$7	$1.75	Jan. 2	Dec. 12
United Fuel, pfd.	6%	1½%	Jan. 2	Dec. 15
Weston, Geo., com.	$1	25c	Jan. 1	Dec. 20
Western Grocers, pfd.	7%	1¾%	Jan. 15	Dec. 20
Winnipeg Electric pfd.	7%	1¾%	Jan. 1	Dec. 6
Wright Hargreaves	...	5c	Jan. 2	Nov. 29

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Provinces	Rate	Actual Mat.	Next Int. Date	Ask	Yield
Alberta	4½	1 Oct. 1958	1 Apr.	98.43	4.60
Alberta	5	1 Jul. 1943	1 Jan.	102.40	4.75
Alberta	6	1 Apr. 1936	1 Apr.	105.75	4.80
British Col.	4½	1 Oct. 1958	1 Apr.	98.59	4.60
British Col.	5	15 Jan. 1948	15 Jan.	102.95	4.75
British Col.	6	15 Aug. 1941	15 Feb.	110.16	4.80
Manitoba	4	1 Jul. 1947	1 Jan.	92.98	4.60
Manitoba	5	2 Jun. 1959	2 June	103.88	4.7[illegible]
Manitoba	5	15 Jun. 1943	15 Dec.	102.40	4.75
N. B.	4½	1 Jun. 1948	1 June	99.40	4.55
N. B.	4¾	15 Jun. 1936	15 Dec.	100.48	4.65
N. B.	6	1 Jan. 1936	1 Jan.	106.24	4.75
Nova Scotia	4½	15 Nov. 1948	15 May	98.78	4.60
Nova Scotia	5	1 May 1943	1 May	102.81	4.70
Nova Scotia	6	1 Nov. 1936	1 May	106.19	4.80
Ontario	4½	1 Sep. 1944	1 Mar.	100.00	4.50
Ontario	5	15 Oct. 1948	15 Apr.	104.55	4.65
Ontario	6	2 May 1936	2 May	105.99	4.75
P. E. I.	4	1 Apr. 1939	1 Apr.	95.82	4.60
P. E. I.	4½	1 Oct. 1944	1 Apr.	98.98	4.60
Quebec	4½	1 Jun. 1946	1 June	100.00	4.50
Quebec	5	1 Mar. 1964	1 Mar.	105.04	4.70
Saskatchewan	4½	1 Oct. 1941	1 Apr.	98.98	4.60
Saskatchewan	5	1 Oct. 1950	1 Apr.	103.20	4.75
Saskatchewan	6	1 Feb. 1956	1 Feb.	105.74	4.80
Cities					
Montreal	5	1 Sep. 1963	1 Mar.	106.32	4.65
Toronto	4½	1 Sep. 1954	1 Mar.	98.56	4.60
Vancouver	4	1 Aug. 1946	1 Feb.	92.19	4.70
Winnipeg	5	1 Mar. 1944	1 Mar.	101.28	4.85
Windsor	5	1 Dec. 1957	1 June	100.59	4.90
Edmonton	5½	1 May 1945	1 May	105.11	5.00
Calgary	5	1 Jan. 1948	1 Jan.	100.00	5.00
Halifax	5	1 Jul. 1951	1 Jan.	101.30	4.90
St. John	5	15 Dec. 1950	1 June	101.61	4.85
Regina	4½	1 Jul. 1950	1 Jan.	96.17	4.80
Victoria	5	21 Jul. 1945	21 Jan.	102.12	4.80

Unlisted Canadian Securities

(Furnished by A. J. Pattison Jr. & Co. Limited)

December 16, 1930

Industrial Stocks	Bid	Asked
Andian Nat. Corp. X.D.	23.00	25.50
Border Cit. Htl. pf.	....	20.00
Brandram-Henderson 7% pfd.	86.00	92.00
B.C. Pulp & Paper 7% pfd.	53.00	60.00
B.C. Pulp & Pap. c.	2.00	5.00
B.C. Pulp & Paper com.	2.00	5.00
Canada Biscuit pfd.	....	17.00
Can. Crush. Stone pfd.	64.00	....
Can. Mach. com.	6.00	10.00
Can. Mach. 7% pf.	23.00	30.00
Can. Packers c.	23.00	27.50
Can. Pack. 7% pfd. X.D.	95.00	99.50
Can. Wire & Cable 6½% pfd. w.w.	101.00	106.00
Can. Indust. c. "A"	140.00	180.00
Can. Indust. c. "B"	140.00	180.00
Can. Indust. 7% pf.	114.00	122.00
Can. Investors c.	....	18.00
Can. Westinghouse.	78.00	83.50
Chase, A. W. 8% pf.	47.00	53.00
Copeland Flour 6% pfd.	14.00	20.00
Dom. Alloy 8% pf.	1.00	2.00
Dom. Alloy com.	....	.50
Dom. Foundries & Steel 8% pfd.	65.00	....
Dom. Foundries & Steel com.	8.00	12.00
Dom. Mfrs. pfd.	76.00	....
Dom. Mfrs. com.	7.00	....
Dom. Sugar com.	17.00	23.00
Dom. Woollens c.	[illegible]	9.00
Dunlop Tire 7% pf.	101.00	105.00
Eastern Car 6% pf.	65.00	77.50
Eastern Dairies 7% pfd.	95.00	100.00
Frost & Wood c.	5.00	12.00
Goderich Elevator.	15.00	18.00
Green. Wire 7% pf.	96.00	102.00
Guardian Realty pf.	52.00	....
Inter-City Bak. c.	60.00	75.00
Inter. Proprie. "A"	29.00	34.00
Loew's London c.	.50	1.75
Loew's London 7% pfd.	1.50	3.00
Massey Harris pfd.	....	90.00
Milton Brick pfd.	20.00	30.00
Nat. Grocers c.	1.10	2.00
Nat. Grocers 2nd 7% pfd.	45.00	55.00
Para. Kitchener pf.	22.00	....
Para. Oshawa c.	10.00	....
Prov. Paper 7% pf.	....	90.00
Reliance Grain 6½% pfd.	....	80.00
Rogers Maj. Corp.	9.00	12.00
Rolland Paper pfd. bonus	70.00	80.00
Service Stations "A" pfd.	....	85.00
Stand Clay Prod. c.	22.00	30.00
Standard Fuel pfd. bonus	74.00	81.00
Supertest "B" pfd.	17.00	25.00
Toronto Ball Club	....	60.00
Toronto Brick pfd.	67.50	....
Toronto Carpet 8% pfd.	101.00	110.00
Toronto Carpet c.	112.00	....
Toronto Elevator 7% pfd.	....	90.00
Toronto Housing c.	30.00	40.00
United Amuse. "A"	25.00	35.00
Western Grain pfd. bonus	....	85.00
Willards Choc. 8% pfd.	60.00	72.00
Willards Choc. c.	3.00	7.00
Insurance Stocks:		
Br. Amer. Assce.	52.00	....
Canada Life	670.00	735.00
Canada Nat. Fire	....	27.50
Can. Fire Insur.	77.00	87.00
Capital Life 20% pd.	....	26.00
Commercial Life 10% pd.	....	28.00
Confed. Life 20% pd.	250.00	320.00
Continental Life 20% pd.	71.00	80.00
Crown Life	250.00	375.00
Dominion Fire	105.00	130.00
Dom. of Can. Gen.	236.00	280.00
Dom. Life 50% pd.	350.00	....
Excelsior Life 30% pd.	105.00	130.00
Fed. Fire 25% pd.	28.50	....
Fidelity Ins. of Can.	125.00	160.00
Great West Life	440.00	550.00
Guar. Co. of N.A.	250.00	....
Imperial Life	400.00	450.00
Mfrs. Life	360.00	395.00
Monarch Life 10% pd.	30.00	40.00
Nat. Life 25% pd.	105.00	125.00
North. Amer. Life 20% pd.	70.00	90.00
Saskatchewan Life 10% pd.	21.50	[illegible]
Sovereign Life 25% pd.	34.00	40.00
Sun Life	1550	[illegible]
Western Assurance.	40.00	50.00
Western Life 20% pd.	13.00	18.00
Trust & Loan Stocks:		
Br. Mtge. & Trust.	210.00	240.00
Can. Gen. Invest. Trust 1st	....	70.00
2nd Can. Gen. Inv.	9.00	13.00
Capital Trust	70.00	80.00
Chartered Trust	100.00	120.00
Commercial Fin. pf.	50.00	60.00
Debenture & Sec. 5% pfd.	65.00	75.00
Debenture & Sec. c.	86.00	....
Guelph & Ont. Loan par $50	60.00	70.00
Lambton Loan & Savings	75.00	90.00
London & Western Trust	....	175.00
Midland Loan & Savings	17.00	25.00
Mtge. Disc. 6% pf.	4.00	5.25
Mtge. Discount c.	.40	.70
Mutual Finance pfd.	5.00	8.00
Security Loan & Savings	112.00	....
Sherbrooke Trust	116.50	....
Sterling Trust	90.00	100.00
Traders Fin. "A" pfd.	....	85.00
Traders Fin. "B" pfd.	....	85.00
Traders Fin. c.	13.00	19.00
Trusts & Guarantee X.D.	90.00	98.00
Waterloo Trust & Savings	120.00	150.00
Power Issues:		
B.C. Elec. Pwr. & Gas pfd.	102.00	104.50
Calgary Power pf.	91.00	97.00
Can. Light & Pr. c.	....	28.00
Can. Northern Pwr. pfd.	105.00	107.00
Can. West. Nat. Gas LH&P pfd.	90.00	98.00
East Kootenay Pwr. pfd.	95.00	100.00
Great Lakes Pwr. pfd.	94.50	98.00
N. B. Pwr. 1st pf.	55.00	70.00
Nova Scotia L. & P. pfd.	95.00	97.00
Ottawa LH&P 6½% pfd.	103.00	....
Power Corp. 6% pf.	100.00	103.00
Recent London Quotations:		
Brewer Distillers		6s.
Can. & For. Sec.		7s. 9d.
Can. West. Lumber		2s. 9d.
Hudson's Bay		28s. 9d.
Do., 5% pfd.		96s. 3d.
Internat. Holding		3⅛
Wall Paper Mfg.		29s. 9d.
Pref. 5%		19s. 4½d.

H. C. Flood's Active Bond Prices

December 15, 1930

	Price	Interest Date	Yield
Abitibi Power & Paper 5/53	71		7.62
Algoma Steel Corpn. 5/62	64		[illegible]
Argentine Govt. 6/58 Series B	91½	Apr. 1	[illegible]
Bell Tel. of Canada 1st 5/57	104	June 1	[illegible]
British American Oil 5/45	99½	Mar. 1	[illegible]
B. C. Power Corp. 5½% 1960	102	Mar. 1	[illegible]
Brazil, U.S. Ext. S.F. 6½/57	59½	Apr. 1	[illegible]
Calgary Power Co. 5% 1960	97	Apr. 1	[illegible]
Can. Cement Co. 1st Mtge. S.F. 5½/47	100½	May	[illegible]
Can. North. Power, 5%, 1953	90½	May	[illegible]
Canada Power & P. 5½/58	88	Jan.	[illegible]
Can. Light & Power 1st S.F. 5/49	94	Jan. 1	[illegible]
Can. S.S. Lines 6/41 1st & Gen.	65	Feb. 18	[illegible]
C. N. R. Dom. Can. 4¾, 1955	101½	June 15	[illegible]
C. P. R. Coll. Trust 5/54	103	June 1	[illegible]
C. P. Rly. Secured 4½/44 Notes	98½	June 15	[illegible]
Chile Republic Ext. S.F. 6/60	77½	Apr. 1	[illegible]
Colombia Repub. Ext. S.F. 6/61	62	Apr. 1	[illegible]
Dom. Iron & Steel S.F. 5/39	90	Mar.	[illegible]
Dom. Square Corp. 5/48	94	Apr. 1	[illegible]
Dominion Tar & Chemical Debs. 6/49	100	Jan. 2	[illegible]
Duke Price Power 1st 6/66	103½	May 1	[illegible]
Eastern Dairies Convertible 6/49	100	May 1	[illegible]
Foreign Power Securities 6% 1949	99½	June 1	[illegible]
French Nat. Mail Ex. S.F. 6/52	103	May	[illegible]
General Steel Wares 1st S.F. 6/52	93	May 1	[illegible]
Gatineau Power Co. 1st Mtge. 5/56	93	June 1	[illegible]
Gatineau Power S.F. Debs. 6/41	95½	June 1	[illegible]
Howard Smith P.M. 5½/53	90	June 1	[illegible]
Manitoba Power 1st S.F. 5½/51	100	Jan. 1	[illegible]
Massey-Harris Co. 1st Mtge. 5/47	93	Apr. 15	[illegible]
Montreal Coke 1st S.F. 5½/47	101½	June 1	[illegible]
Montreal Island Power 5½/57	99½	May 1	[illegible]
Montreal Power 5/51	103	Apr. 1	[illegible]
Montreal Tram. 1st Coll. Trust 5/41	100	Jan. 1	[illegible]
Montreal Tram. Gen. Ref. 4½/55	88	Apr. 1	[illegible]
Montreal Tram. Gen. 5/55	93½	Apr. 1	[illegible]
Nova Scotia Steel & Coal 1st 5/59	66	Jan. 1	[illegible]
Nova Scotia Steel & Coal 6 deb.	86	....	[illegible]
Northwestern Utilities 1st 7/38	101½	June 1	[illegible]
Ontario, Province of 5/59	105	....	[illegible]
Power Corp. of Canada 4½/59	89	Mar. 1	[illegible]
Price Bros. 1st S.F. Series A 6/43	101	Feb. 1	[illegible]
Quebec Power 1st Mtge. Coll. S.F. 5/68	102¼	June 1	[illegible]
Shawinigan W. & P. 4½/68	93	June 1	[illegible]
Simpsons 6/49	100½	Jan. 2	[illegible]
Sou. Canada Power 1st 5/55	101¾	Apr. 1	[illegible]
United Grain Growers 1st Mtge. 5/48	88	Jan. 2	[illegible]
United Securities Coll. Trust 5½/52	100	May 1	[illegible]
Wayagamac P. & P. 1st S.F. 6/51	88½	....	7.65
Winnipeg Electric Ref. 6/54	98½	May 1	6.11

Foreign Exchange

NEW YORK FUNDS

	High (Premium)	Low	Last Year High (Premium)	Low
December 10	7-64	1-32	15-16	[illegible]
December 11	3-16	7-64	59-64	[illegible]
December 12	1-8	7-64	29-32	[illegible]
December 13	9-64	1-8	29-32	[illegible]
December 15	5-32	9-64	29-32	[illegible]
December 16	3-16	11-64	27-32	[illegible]

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
December 10	4.85 11-16	3.93	5.24
December 11	4.85 3-8	3.92 15-16	5.23 3-4
December 12	4.85 1-2	3.92 13-16	5.23 3-4
December 13	4.85 7-16	3.92 3-4	5.23 11-16
December 15	4.85 7-16	3.92 13-16	5.23 11-16
December 16	4.85 7-16	3.92 13-16	5.23 5-8

FOREIGN EXCHANGE

Par		Dec. 2	Dec. 9	Dec. 16
5.263	Italian	5.22¾	5.22¾	5.23¾
23.80	German	23.84	23.85½	23.87½
13.90	Belgian	13.93	13.93½	13.93½
49.80	Japanese	49.60	49.68	49.70

Winnipeg Stock Exchange

December 8

	Bid	Ask		Bid	Ask
Beaver Fire	..	120	Home Investment	..	70
Beaver Lumber c.	..	19	Monarch Life	25	..
Do., pref.	..	105	North. Can. Mtg.	..	25
Can. Amer. Trust shs.	..	719	North. Mtge. par pd.	12	...
Can. Fire Ins.	..	95	Northern Trust	..	48
Can. Indemnity	125	...	Traders Bldg.	89	..
Crescent Creamery	93	..	Un. Gr. Growers	14½	..
Gt. West Life	..	550	West. Breweries	2⅛	..

A.J. Pattison, Jr. & Co. LIMITED

INVESTMENT BANKERS

Dealers in Unlisted Bonds and Shares

159 Bay Street, (First Floor) Toronto Elgin: 5101 (TEN LINES)

Prefer Coal to Hydro On Vancouver Island

Business Organizations Believe Benefits Greater From Use of Bituminous Than From Developing Campbell River

From Our Own Correspondent

VANCOUVER.—Commercial organizations on Vancouver Island are advocating the development of the use of steam coal rather than hydro-electric energy as a motive power for industry, and on this basis are objecting to plans of B. C. Power Corp. for utilization of Campbell river as a power plant site.

Several months ago B. C. Power Corp. was given authority by the provincial government to proceed with the establishment of a large power plant at Campbell River, and although the company was required to submit detailed plans before construction started it was taken for granted that the project would go ahead. It was proposed to establish one of the largest hydro plants on the coast, to supply power for industries on Vancouver Island from Campbell River southward.

Say Scenery Threatened

Members of the Victoria Chamber of Commerce, however, are averse to utilization of the Campbell River for this purpose when there is an abundance of coal on the Island, use of which would probably mean a wider distribution of revenue. The coal industry has been such a weak economic condition during the last few years that its revival has become a matter of primary importance on the Island. For that reason the Chamber of Commerce would rather see the coal business on its feet again than the birth of a new industry. Years ago the coal mines were the chief source of wealth on the Island, supplying fuel for countries on both sides of the North Pacific.

There is also the element that objects to the destruction of Campbell River as a tourist and fishing resort, which it is claimed would be the inevitable outcome of large-scale power development. Lumber interests contend that it would also involve the flooding and cutting of $8,000,000 worth of timber at a time when the lumber market is unable to absorb 50 per cent of the normal output of the mills.

Trail Ore Receipts

Ore Receipts at Trail Smelter from 1st December to 7th December, 1930, inclusive, and from 1st January, 1930, to date in tons:

Company's Mines	11,775	466,107
Other Mines	334	9,764
	112,109	475,871

Canadian Quotations--Cont'd

Listed Bond Quotations

Week Ending December 15

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1930 High	Range, 1930 Low
Abitibi, 1st Mtge.	5	1953	7.71	..	..	..	88½	70
Asbestos	5	1942	5.00	†105	..	..	105	99½
Asbestos, 1st Mtge.	6	1941	..	†40	..	..	81	46
Do., gen. mtge.	6	1956	..	†20	..	..	41	25
Can. Cons. Rub.	6	1946	5.74	..	..	..	103¾	102⅛
Can. Cottons	5	1940	7.12	..	..	..	85	..
Can. Forgings	6	1942	..	..	..	..	..	..
Can. Locomotive	6	1951	6.34	†94	..	..	96	..
Can. Pr. (Laur. ser.)	5½	1958	..	30	35	30	75½	31
Do., (Way. ser.)	5½	1958	..	30	34	30	74½	31¾
Can. S.S. deb.	5	1943	5.20	..	..	..	98¼	94
Cedar Rapids	5	1953	4.79	102½	..	..	102⅞	99⅝
Dom. Canners	6	1940	5.60	103	..	..	103	..
Dom. Coal	5	1940	5.30	98	..	..	97¾	95⅞
McNish	6	1948	..	2.50	2.50	..	3.55	2.50
Mex. Elec.	5	1942	..	..	..	..	x74	..
Mex. L. & P.	5	1940	..	†80	..	..	x75¾	71½
Mont. L. H. & Pr.	4½	1932	5.09	99½	..	..	98⅛	98⅝
Mont. Tr. 1st mtge.	5	1941	5.06	98	99½	..	100¼	94
Mont. Tr. "A"	5	1955	5.63	91½	91½	90	96⅝	90
Mont. Tr. G.&R. 'B'	5	1955	5.57	..	..	..	96	91½
Do., "C"	4½	1955	5.43	..	..	..	89	85¼
Do., "D"	5	1955	5.34	..	..	..	96½	93½
N. S. Steel	5	1959	8.40	..	..	..	71	63¼
Ogilvie Flour "A"	6	1932	6.00	100	..	..	100	..
Do., "B"	6	1932	5.80	100	..	..	101	100
Do., "C"	6	1932	..	100	..	..	103	100
Ont. Steel	6	1943	..	100½	..	..	x106	104
Porto R. Rly.	5	1936	6.85	93	..	..	93	82
Steel of Can.	6	1940	5.22	105¾	..	..	108	105
Toronto								
Canada Bread	6	1941	5.78	102	..	..	103⅛	101
Can. Canners	6	1950	..	..	..	..	x102¼	100
Dom. Canners	6	1940	..	..	..	..	..	..
Porto R. Rly.	5	1936	..	..	..	..	..	..
Postal Tel.	5	1953	..	..	..	..	95	88¾
Steel of Can.	6	1940	..	..	..	..	x93	..

† Latest asked.

x Quotations for 1929. None recorded in 1930 to date.

Dominion Govt. Bonds (Montreal)	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1930 High	Range, 1930 Low
War Loan	5	1931	4.30	100.85	100.65	100.55	101.00	99.75
Do.	5	1937	4.20	104.70	104.65	....	105.95	100.90
Victory Loan	5½	1933	4.24	103.50	103.50	103.35	103.65	101.60
Do.	5½	1934	4.60	103.30	103.30	103.10	103.90	101.05
Do.	5½	1937	4.12	108.05	106.30	108.05	109.60	103.90
Do., refund	4½	1940	4.45	100.40	100.25	....	101.55	95.10
Do., refund	5	1943	4.60	103.70	104.10	103.45	104.15	100.30
Do., refund	4½	1944	4.48	100.50	100.45	100.40	100.50	95.30
Do., refund	4½	1946	4.48	100.50	100.45	100.30	100.50	95.65
Do., renewal	5½	1932	4.57	101.80	102.00	101.65	102.10	100.75

Winnipeg Grain Prices

Week to December 16

High Crop	Low Year		Open Dec. 10	High for week	Low for week	Close Dec. 16
		Wheat				
1.18⅞	.54¼	December	.59¾	.60	.54¼	.54⅞
1.18⅞	.58⅞	May	.63¾	.64⅜	.58⅞	.59⅛
.77¼	.60⅛	July	.65¾	.65⅞	.60⅛	.60⅝
		Oats				
.49	.24⅞	December	.28⅜	.28½	.25⅜	.26¼
.52	.26⅞	May	.30¼	.30½	.28⅛	.28⅜
.33½	.28¾	July	.31⅛	.31¼	.28¾	.29
		Barley				
.52	.20½	December	.26⅝	.26⅞	.24½	.24½
.49	.25½	May	.30⅛	.30⅛	.28⅛	.28⅛
.32½	.29¼	July	.31½	.31½	.29¼	.29¼
		Flax				
1.90	.95½	December	1.03	1.03¾	.96	.96½
1.32½	1.01¾	May	1.09¼	1.10	1.01¾	1.02⅛
1.11	1.04	July	1.08¾	1.08¾	1.04	1.04
		Rye				
.71	.25½	December	.33¼	.33⅝	.29⅝	.29⅝
.75	.31	May	.37¼	.37½	.33¼	.33⅜
.41¼	.32¾	July	.38⅞	.38⅞	.34⅛	.34½

Mining Stock Quotations

Week Ending December 15

Par Val.	Range High	1930 Low	Company	Close Dec. 8 (or last)	High for week	Low for week	Close Dec. 15
1	1.42	.16	Abana	.19¼	.20	.16	.16
1	.09	.01	Aconda	.01½	....	....	....
None	.50	.32	Aladdin	.33	....	....	....
None	.50	.30	Aldermac	.40	....	....	....
1	.02½	.00¼	Algonquin	.02	.02½	.02	.02½
1	.19	.01½	Amity C.	.02	.01½	.01½	.01½
None	1.95	.24	Amulet	.32	.32	.27	.27
1	.04	.00¾	Apex	.01	.01	.01	.01
1	.10	.01½	Area	.01½	.02	.01¼	.02
1	.02	.00¼	Argo. Con.	.00½	....	....	....
1	.30	.01¾	Arno	.02	.02	.01¾	.01⅞
1	.03	.00½	Astoria	.00¾	....	....	....
1	.01	.00½	Atlas	.00½	....	....	....
1	.03¼	.01	Baldwin	.01	.01	.01	.01
1	.25	.06	Barry Holl.	.07½	.07	.06	.06
None	4.45	.80	Base Metals	1.10	1.10	1.00	1.00
None	.05	.00⅛	Bathurst	.00¾	.00⅛	.00⅛	.00⅛
5	6.10	1.79	B'Wana	2.00	....	....	....
1	.35	.12	Bedford	.15	....	....	....
None	.11	.02	Bidgood	.03½	.03½	.03	.03
1	1.04	.35	Big Missouri	.40	.41	.35	.36
1	.11	.02	Bobjo	.02½	.02½	.02½	.02½
None	.01½	.00⅜	Boischatel	.00½	....	....	....
1	.08	.03	Brett Trethewey	.03	.03	.03	.03
1	.06	.08	Brit. Canadian	.06	....	....	....
None	.14	.01½	Brownlee	.02	....	....	....
1	.02½	.00¼	Buckingham	.01	.00⅞	.00⅞	.00⅞
1	.10½	.01¾	Bunker Hill	.03¼	.03	.02¾	.02¾
None	.08	.05	Cal. Flin Flon	.05½	....	....	....
None	.65	.12	Canam Metals	.12	....	....	....
1	.08	.00½	Can. Kirk	.02	....	....	....
1	.06	.02	Can. Lorraine	.02	....	....	....
1	.15	.15	Canusa	.15	....	....	....
1	.08	.00½	Capital R.	.00½	....	....	....
1	.28	.15	Castle Tre.	.18	.19	.17	.17½
1	.29	.05	Cen. Man.	.06	.06	.05½	.05½
1	.30	.02	Cen. Patricia	.02½	.03	.02¾	.03
1	.07	.04½	Chaput H.	.04½	....	....	....
None	1.05	.10	Chib. Pros.	.10	....	....	....
None	.12	.00¾	Clericy	.03½	.03½	.03	.03
5	24.00	4.00	Coast Copper	6.00	5.25	5.00	5.00
1	.42	.02¼	Cobalt Con.	.03¼	....	....	....
1	.01	.00⅜	Col. Kirk	.00¾	....	....	....
1	1.17	.05	Columario	.06½	.08	.07	.08
5	1.40	.80	Coniagas	.80	....	....	....
5	.60	.15	Coniaurum	.34	.35	.35	.35
25	280.00	120.00	Cons. Smelter	151.00	152.00	141.00	145.00
1	.02	.00½	Corona	.00⅛	....	....	....
1	.02	.00⅛	Crown Res.	.01	.00½	.00½	.00½
None	.39½	.02⅛	Dom. Explor.	.04¼	....	....	....
1	.01¼	.00¼	Dom. Kirk	.00½	.00⅝	.00⅝	.00⅝
None	10.20	7.00	Dome Mines	8.65	8.75	8.50	8.50
1	.05	.00½	Dunkin	.00½	....	....	....
1	.04	.01	Duprat	.01½	....	....	....
1	.20	.18½	Eldorado	....	.20	.18½	.20
1	.01	.00½	Everett	.00½	....	....	....
None	6.50	1.20	Falconbridge	1.45	1.50	1.25	1.25
1	.02½	.00½	Federal Kirk.	.01½	.02	.02	.02
None	.05½	.00¼	Flintoba	.00¼	....	....	....
None	.24½	.09	Gem Lake	.12	.19	.13	.14
None	.07	.01	Gilbec	.01	....	....	....
1	.04½	.01½	Goldale	.02	....	....	....
10	.27	.22	Goldfield	.23	....	....	....
1	.02	.00¼	Gold Hill	.00¼	....	....	....
1	.10	.02	Goldfish	.02¾	.02¾	.02¾	.02¾
1	.03½	.01	Graham	.01	.01	.01	.01
None	2.05	1.00	Granada	1.41	1.41	1.20	1.25
1	.01½	.00¼	Grover Daley	.00¼	....	....	....
1	.10	.03½	Grozelle	.05	....	....	....
1	.03	.01	Harker	.01	....	....	....
1	.18	.10½	Hayden	.10½	....	....	....
1	.01	.00¼	Hilltop	.00½	....	....	....
1	6.65	4.90	Hollinger	6.25	6.30	6.00	6.00
1	1.40	.14	Howey Gold	.20	.21	.18	.18
None	14.65	3.50	Hudson Bay	4.65	4.50	3.90	4.00
None	.31	.30	Huronian	.31	....	....	....
None	44.50	14.62	Int. Nickel	17.50	17.75	14.62	14.75
1	.04½	.00⅞	Jackson M.	.01	.01	.01	.01
1	.40	.27	Keeley	.27	.28	.28	.28
1	.04	.00½	Keora M.	.00½	....	....	....
1	.01¾	.00¼	Kirk. Hunt.	.00½	.00½	.00¼	.00¼
1	.95	.35	Kirk. Lake	.42	.44	.38	.39
1	.03½	.00½	Kirk. Prem.	.01	....	....	....
20c.	.08	.01	Koot. Flor.	.01	.01	.01	.01
1	.02	.02	La Rose	.02	....	....	....
1	24.75	19.00	Lake Shore	21.40	21.60	20.80	21.00
1	.04	.00⅛	Laval	.01	....	....	....
1	.01	.00¼	Lorraine C.	.00½	....	....	....
1	.13	.06	Macassa	.07	.06	.06	.06
1	.07	.01½	Malartic	.01½	.02	.01½	.02
None	.35	.09	Mandy	.10	.10½	.09	.10
None	.17	.02	Man. Basin	.02½	.02	.02	.02
None	.30	.12	McDougall	.15	....	....	....
1	.60	.25	McKinley	.32	.25	.25	.25
5	19.80	15.05	McIntyre	18.50	18.75	18.15	18.25
1	.30	.04	McVittie	.04	....	....	....
5	3.60	.50	Mining Corp.	1.60	1.52	1.35	1.35
1	.01¾	.00½	Mint Ore	.00½	....	....	....
1	.04½	.01	Moffatt Hall	.01	....	....	....
1	.04	.02	Moneta	.03½	....	....	....
1	.07	.00¼	Mtl. Rouyn	.00½	.00½	.00¼	.00½
1	.50	.10	Moss	.10	....	....	....
1	.05½	.01	Murphy	.01	....	....	....
1	.26	.04	Newbec	.05	.05½	.05	.05
1	.05½	.03	Night Hawk	.03	....	....	....
5	1.85	1.00	Nipissing	1.30	1.25	1.15	1.15
None	44.25	12.50	Noranda	14.00	14.45	12.50	12.50
1	.46	.18	Nor. Canada	.18	.20	.20	.20
None	.07	.02	Old Colony	.02	....	....	....
1	.03¾	.01	Ophir	.01	....	....	....
1	1.36	.10	Oriole	.43	....	....	....
1	.30	.07	Osisko	.10	.08	.07	.07
1	.03	.01¼	Pawnee Kirk.	.02	....	....	....
None	5.15	.59	Pend. Ore.	.80	.80	.74	.75
1	.19¾	.03	Pete. Cobalt	.03½	.03½	.03	.03
1	.01½	.00¼	Picard	.00¼	....	....	....
1	.20	.40	Pioneer	.04	....	....	....
1	.01½	.00⅛	Porc. Crown	.00½	....	....	....
1	.03¼	.00½	Potter Doal	.00½	....	....	....
1	1.60	.70	Prem. Gold	.77	.77	.70	.70
None	.70	.04	Quemont	.07	....	....	....
1	.03	.00¼	Ribago	.00½	....	....	....
1	.10	.02	Ritchie	.05¼	.05½	.05	.05
1	.04	.00¼	R. Montbray	.01	....	....	....
1	.08	.01	Salmo Mal.	.01¼	....	....	....
None	.85	.07½	San Antonio	.09	.09	.07½	.07½
1	.56	.20	Seven Troughs	.20	.22	.20	.20
1	3.50	.55	Sherritt G.	.82	.82	.65	.65
1	.75	.24	Siscoe	.33	.34	.31	.32
1	.04½	.00½	So. Keora	.03½	....	....	....
None	.07	.01½	Stadacona	.02½	.02½	.02	.02
1	.29	.04	St. Anthony	.04	.04	.04	.04
1	.25	.11	Stewart Abate	.11	....	....	....
None	5.35	.45	Sud. Basin	.50	.55	.50	.50
1	.05	.01	Sud. Contact	.01½	....	....	....
1	.01	.00¼	Sudbury M.	.00½	....	....	....
None	.20	.08	Sudbury N.	.12	....	....	....
1	1.00	.20	Sunloch	.20	....	....	....
1	1.02	.39	Sylvanite	.50	.50	.46	.46
1	.22	.05	Tashota	.50	....	....	....
1	7.30	4.70	Teck Hughes	5.70	5.75	5.40	5.40
1	.19	.05	Telluride	.08	....	....	....
1	.12	.01½	Thom. Cad'c	.04	.05	.04	.04
1	.03	.02	Temiskaming	.02	....	....	....
1	.05½	.00½	Tough Oakes	.01	.01½	.01	.01
1	1.50	.15	Towagmac	.20	.15	.15	.15
None	7.50	.75	Treadwell	1.20	1.00	1.00	1.00
None	3.25	2.75	Tri-Metals	2.75	....	....	....
None	3.50	.34	Ventures	.41	.40	.34	.35
1	.50	.45	Vickers	.45	....	....	....
1	1.42	.60	Vipond	.91	.92	.86	.88
None	5.65	1.40	Waite Ack.	2.00	2.00	1.75	1.75
1	.03	.01	West D. Lake	.01½	....	....	....
.	.09	.01½	West Tree	.01½	....	....	....
1	1.30	.15	White Lake	.26	.22	.16	.16
1	.05½	.02	Wiltsey	.05	....	....	....
None	.01¼	.00¼	Windfall R.	.00⅛	....	....	....
.	.07	.03	Wood Kirk.	.03½	....	....	....
None	2.30	1.35	Wright-Har.	1.67	1.72	1.65	1.66

WESTERN OIL STOCKS

Par Val.	Range High	1930 Low	Company	Close Dec. 8 (or last)	High for week	Low for week	Close Dec. 15
1	.70	.05	Acme	.27	.31½	.21	.21½
1	2.10	2.00	Admiral	2.00	....	....	....
None	1.25	.22	Advance	.23	....	....	....
1	3.75	.30	Alta. Pac.	.32	.37	.32	.34
None	2.00	.20	Associated	.24	.25	.20	.20
1	2.91	.80	Ajax	1.43	1.50	1.35	1.35
None	1.60	.09	Baltac	.12	.11½	.10	.11
1	.20	.07	Black Dia.	.07	....	....	....
1	.74	.24½	Brit. Dom.	.25	.26	.24½	.25
1	4.25	.23	Calmont	.27	.29	.24	.25
None	3.90	.50	Calgary & Ed.	.52	.55	.50	.50
1	1.00	.10	Comm. Pete.	.20	.25	.21	.23½
None	.25	.10	Cypress	.12	....	....	....
None	3.50	.48	Dalhousie	.50	.50	.48	.48
None	.30	.05	Devenish	.06	.05	.05	.05
None	.26	.05¼	Dome Oil	.10	.09	.08½	.09
None	1.80	.13	E. Crest	.60	.61	.54	.58
1	.08½	.02	Fabyan Pete.	.02¼	....	....	....
None	2.50	.40	Foothills	.40	....	....	....
None	1.00	.14	Freehold	.16	.16	.15	.15½
1	.20	.02	Great West	.02	....	....	....
None	1.40	.10	Hargal	.12	.13	.13	.13
None	.45	.12	Herron Pete.	.14½	....	....	....
None	.25	.05	High Sarcee	.07½	.07½	.06	.07
None	10.00	1.75	Home	1.93	2.00	1.75	1.80
None	.82	.09½	Homestead	.15	.15	.14¼	.15
1	.55	.04½	Ill. Alta	.05	.05	.04½	.94¼
None	2.35	.25	Lowery	.55	.55	.55	.55
1	.20	.02½	Madison	.02½	.03	.02½	.02½
1	3.25	.40	Mayland	.63	.80	.65	.70
None	.33	.10	McD.S.Ex.Can.	.10	.10½	.10	.10
1	1.10	.29	McD. S. M.	.32	.31	.29	.29
1	5.90	.65	McLeod	.72	.65	.65	.65
None	.87	.20½	Mercury	.29	.41	.30	.37
None	1.05	.03	Merland	.15	.13	.12½	.13
1	.42	.14	Mid West	.15	.14	.14	.14
None	2.10	.15	Mill City Pete.	.27	.37	.30	.34
1	.45	.18	Model	.25½	.29½	.26	.29¼
1	.91	.15½	Monalta	.18	....	....	....
1	.23	.12	Moose M.	.12	....	....	....
1	.10	.02	New Federal	.02	....	....	....
None	2.32	.45	Nordon	.51	.66	.50	.50
None	.27	.04	Oil Select	.15	.18	.15	.15
None	2.10	.29	Okalta	.29	.32	.30	.30
100	45.00	25.00	Do., Pref.	27.75	....	....	....
None	.25	.04	Olga Gas & Oil	.05	.05½	.04¼	.04¼
1	.58	.11	Petrol	.40	.41	.38	.38
.	2.45	1.70	Penn. Pete.	2.30	....	....	....
None	.43½	.06	Ranchmen's	.12	.11½	.10	.10
1	.45	.04	Regent	.04½	.04	.04	.04
None	.48	.05	Richfield	.09½	.11	.09	.09
None	65.00	16.25	Royalite	19.00	18.50	17.50	18.25
1	1.45	.20	Sarnia Oil	.20	....	....	....
1	.50	.15	Sioux City	.16	.15	.15	.15
1	.22¼	.05½	Signal Hill	.06¼	.06½	.05¼	.06
1	1.30	.35	Spooner	.48	.48	.45	.45
None	2.10	.25	So. West Pete.	.29	.29	.26	.29
None	1.08	.06	Sterling Pac.	.10	.10½	.10	.10½
.	.20	.05	Turner Basin	.20	....	....	....
1	.60	.08	Turner Valley	.16	.16½	.16	.16
None	1.65	.25	United	.26	.27	.25	.27
None	.83	.19	Vanalta	.19	....	....	....
1	.80	.11½	Vulcan	.14	.14	.14	.14
None	.15	.01½	Wainwell	.02	.02	.01½	.01¼
1	1.75	.14	Waite Valley	.19	....	....	....
•	.62	.50	Wellington	.50	....	....	....

VANCOUVER STOCK EXCHANGE
(Transactions for Week to December 10)

Par Val.	Range High	1930 Low	Company	Close Dec. 8 (or last)	High for week	Low for week	Close Dec. 15
25c.	....	....	Bayview	.01	....	....	....
25c.	....	....	Beaver Silver	.00½	.01	.01	.01
25c.	....	....	Bluebird	.02½	....	....	....
25c.	....	....	Cork Province	.01	....	....	....
1	....	....	Cotton Belt	.18	....	....	....
1	....	....	Duthie	.14	.13	.13	.13
1	4.50	.60	George Copper	.60	.65	.65	.65
1.	....	....	Georgia Riv.	.02	.02	.02	.02
50c.	....	....	Geo. Enterprise	.05	....	....	....
10c.	....	....	Gladstone	.02	....	....	....
1	1.90	.31	Golconda	.32	.35	.35	.35
50c.	.90	.03	Grandview	.04	.04	.03	.03
25c.	....	....	L. & L.	.01	....	....	....
1	....	....	Inter. Coal	.12	.13	.13	.13
1	....	....	Independence	.01½	....	....	....
1	.09	.00½	Indian Mines	.01	....	....	....
1	....	....	Jack Waite	....	.40	.40	.40
1	....	....	Los Ang. Van.	.12	....	....	....
10c.	.10	.01	Lucky Jim	.02½	....	....	....
25c.	.56	.01	Kootenay King	.01	.01	.01	.01
2.50	....	....	Marmot Gold	.01	....	....	....
50c.	....	....	Marmot Metals	.00½	....	....	....
25c.	....	....	Mohawk	.00⅝	.00½	.00½	.00½
1	....	....	Montana Mines	.22	....	....	....
1	.13½	.01½	Morton Woolsey	.02¼	.03	.03	.03
50c.	.26	.02	National Silver	.02½	....	....	....
50c.	.40	.03	Noble Five	.03	.05	.03	.04½
50c.	.18	.04	Oregon Cop.	.07	.07	.05¼	.06
1	1.75	.75	Pioneer Gold	1.00	1.10	1.05	1.10
50c.	.15	.07	Porter Idaho	.07½	.07½	.07¼	.07½
None	....	....	Premier Border	.01	....	....	....
1	1.00	.10	Planet Mines	.10	....	....	....
None	1.78	.20	Reeves McD.	.25	.22	.22	.22
1	....	....	Reno Gold	.18	.15	.15	.15
1	.57	.02	Rufus Argenta	.02	....	....	....
1	.25	.04	Ruth Hope	.05	....	....	....
1	....	....	Silverado	.06	.04	.04	.04
25c.	....	....	Silver Crest	.02½	.01½	.01½	.01½
20c.	....	....	Silversmith	....	.05	.05	.05
50c.	.26	.02	Snowflake	.02½	.02	.02	.02
1	.01½	.01½	Terminus	.01½	....	....	....
50c.	.06	.01	Topley Rich.	.01½	....	....	....
5	.30	.25	Toric	.25	....	....	....
20c.	....	....	Wellington	.01	....	....	....
1	.24	.05	Whitewater	.05	....	....	....
None	.05	.01	Woodbine	.01¼	.02	.01	.01

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Canam Metal	2c.	....	Nipissing	30c.	26.08
Cons. Smelters	$12.50	8.62	Premier	12c.	17.14
Dome Mines	$1	11.76	Royalite	50c.	17.14
Hollinger	65c.+5c.	11.66	Sylvanite	$2	4.34
Home Oil	25c.	....	Teck Hughes	60c	11.11
Inter. Nickel	$1	6.78	United Oils	5c.	....
Lake Shore	$1.20+30	7.14	Wright-Har.	5c.	....
McIntyre	$1	5.47			

DAIRY CORP. TO EARN $3 ON COMMON

Returns of 11 Months Show Management Estimates Justified

HAS GROWN RAPIDLY

West and East Earnings Were Well Maintained—Montreal Increases Profits

Officials of Dairy Corp. of Canada are said to be satisfied with the results of the first 11 months of 1930 that the company will earn in 1930 nearly $3 a share on the Class "A" common stock outstanding. This agrees with the estimate made several months ago, and allows for all operating expenses, for 6 per cent interest on $500,000 debentures, for 6 per cent dividends on $750,000 preferred stock and for all other charges.

There are 25,000 shares of Class "A" stock outstanding and 36,000 shares of Class "B" stock. The actual amount of preferred and Class "A" stock outstanding changes from month to month because of the issuance of additional shares to the shareholders of subsidiary companies who are taking advantage of the offer which is being made to them to turn in their stock for the securities of the holding company.

Dairy Industry Resists Depression

While conditions in most lines of business during the past year and a half have been far from satisfactory, the results of Dairy Corp. of Canada, indicate that the dairy industry has been affected less than most other lines. In Montreal, where one of the company's largest subsidiaries operates, ice cream sales so far this year have been within one per cent of the volume for the same period of 1929. In the western provinces, where the company is represented by several units in both the milk and the ice cream business, retail milk sales have, with one exception, shown an increase over 1929, while ice cream sales have, to the end of September, shown only a slight reduction as compared with last year.

The results of Dairy Corp. for the whole year will be awaited with a good deal of interest as this concern has shown quite a rapid growth during the past year and a half. At the present time it is one of the three or four large dairy concerns which have widespread interests in Canada. Its volume of business exceeds $5,000,000 per annum so that it already is an important factor in the industry.

Montreal Branch Improves

It is understood that the policy of the company has been to simplify the financial structure of the various concerns taken over. In certain cases, bonds and preferred stock are held by the public. It is probable that these underlying securities will gradually be absorbed by Dairy Corp. This applies particularly to the preferred stock of subsidiary companies. Only two of the subsidiaries have bonds outstanding.

The Montreal Dairy Co., which is perhaps the largest unit operated by Dairy Corp. has shown a very marked increase in profits. During the past year and a half, the management of Dairy Corp. has built a new ice cream plant and installed a good deal of modern equipment. New delivery trucks have been put on the streets, and the facilities of the business have been increased from every standpoint. Coincident with this improvement in the plant itself has been a very large reduction in expenses, which has meant a substantial increase in profits. It is expected that Dairy Corp. this year will receive a satisfactory return on its investment in this company.

Over 75 per cent of the common stock of Montreal Dairy Co. is owned by Dairy Corp. Early this year, additional bonds were issued to pay for the erection of the company's new ice cream plant. The outlook for this particular unit is said to be very favorable.

B. & D. of Vancouver Reports For Nine Months

Returns from Brewers & Distillers of Vancouver, Ltd., show quarterly net profits for the current year, after deducting bank loan but before providing for income taxes, as follows:

Quarter ended:	Net profit
March 31, 1930	$162,534
June 30, 1930	317,664
Sept. 30, 1930	282,046
Total for nine months	$762,244

In the full year 1929, the company's net profit before income tax, but after all other charges was $985,639, so that $225,000 for the fourth quarter would bring the net earnings to the 1929 figure.

TOR. HOUSING CO. ISSUES STATEMENT

Paid Dividend of Six Per Cent on Common Stock

Toronto Housing Co. shows a net operating profit of $2,459 for the year ended September 30, 1930, after all charges for bond interest, administration and depreciation on properties. Interest received on investments amounted to $7,137 additional but after payment of a six per cent dividend on the 2,039 common shares of no par value, taxes on vacant property and reshingling the Bain Apartment the surplus carried forward was reduced to $49,899 as compared with $55,957 brought forward from the previous year.

Chief public interest centres in the five per cent first mortgage sinking fund gold bonds which are guaranteed by the City of Toronto of which there is $707,754 outstanding of an original issue of $850,000. Bond interest amounted to $36,364 during the year and was earned 1.76 times before depreciation. A total of $23,734 was charged to depreciation reserve. It is stated that there has been a steady demand for apartments and late in October, 1930, there were no vacancies.

Total assets of the company amount to $1,094,239 of which $148,221 is current. Current liabilities are shown at $4,710. Other assets include rents receivable $979 which are not considered as current; prepaid expenses and deferred charges, $18,572; mortgages, $5,476; and real property at $920,990. In addition to current liabilities, there are reserves for depreciation totalling $229,925; bonds outstanding of $707,753; capital stock carried at $101,950 and profit and loss account, $49,899.

B. A. Oil Earnings About Equal to 1929

British American Oil earnings in 1930 will be about equal to those of 1929. S. R. Parsons, chairman of the board, is authority for this statement.

Mr. Parsons also states that recent heavy turnover of the company's shares could be due only to general market weakness. In 1931 the company's income will have substantial additions as a result of two large producing oil wells brought in at Oklahoma City, one entirely owned by the company and the other held in common with other interests. In spite of curtailment it is expected that nearly $2,000,000 may come from this source. If Congress puts a heavy duty against foreign crude at the request of heavy producers of crude oil in the United States the revenue from this source may be even greater.

If the average percentage of output allowed is 8 per cent, however, the company expects about $2,000,000.

Jones Bros. Dividend Will Be Well Earned

Earnings of Jones Bros. of Canada, Ltd., will not be as great during the current fiscal year as during the year ended December 20, 1929, but dividends will be well covered according to an official of the company. In 1929, the company had net earnings from operations of $208,440, as against $162,935 in 1928 and $105,452 in 1927.

During the current year, it is stated that the company has retired $15,000 of the 6½ per cent preference stock, series A, of which there was formerly $850,000 outstanding and also $8,100 of the 6½ per cent first mortgage bonds.

Volume of business has been steady if not large during the past year and a decline in sales of barbers supplies has been offset by business done in show cases and fixtures.

EASTERN STEEL TO PAY BONUS

Common Shareholders to Get $1.50 Per Share Jan. 2

Directors of Eastern Steel Products, meeting yesterday, declared the regular quarterly dividend of 1¾ per cent on the preferred stock, payable Jan. 2 to holders of record December 20. They also declared the half-yearly dividend of 50 cents per share on the common stock, plus a bonus of a dollar share, also payable January 2 holders of record Dec. 30.

A preliminary balance sheet was presented covering the operations of the company for the year ending Nov. 30 last. Sales were down from the record of 1929 but were above those of 1928. The figures of the two years compare as follows:

	1929	1930
Accounts rec.	$477,100	$370,400
Accounts pay.	213,500	138,000
Inventories	499,000	401,800
Bank balance	1,848	3,192
Call loans	412,400	489,100
Plant	603,700	615,900

The above shows a ratio of current assets to liabilities at roughly 8 to 1. This compares with 6½ to 1 in 1929.

On January 2, 1930, a dividend of $1 per share for 1928 and $1 per share for 1929 on the outstanding common stock totalling $116,000 was paid out of accumulated surplus at November 30, 1929.

After allowing for depreciation, income tax and all other charges, net earnings for the year Nov. 30, 1930, amounted to $183,999. Out of these earnings deferred dividends amounting to $33,900 and a half yearly dividend on common stock of 50 cents per share totalling $29,000 have already been paid. The common stock dividend and bonus declared will take an additional $87,000, making a total distribution for the year of $149,900, and leaving a balance of $39,100 to be added to surplus account. Since the first of the year 479 preferred shares ($47,900) were redeemed, leaving outstanding 4,521 shares ($452,100) at this date.

J. P. LANGLEY & CO.
Established 1889
C. P. ROBERTS, C.A.
M. HILBORN, C.A.
Chartered Accountants
G. S. HOLMESTED
Trustee in Bankruptcy Proceedings
Offices: McKinnon Bldg., Toronto

TOR. ELEVATORS WILL DO WELL SAYS MANAGER

Apparently Stabilized Grain Prices Will Be Great Help

According to G. C. Leitch, managing director, net earnings of Toronto Elevators, Ltd., available for depreciation and preferred dividends for October and November, the first two months of the company's fiscal year, were equivalent to three times preferred requirements for the period. After deducting depreciation, profits were equivalent to twice dividend requirements.

During November the company handled the largest volume of grain for any month in its history, entering the winter storage season with grain in store at the Toronto and Sarnia elevators 1,250,000 bushels in excess of the amount held at the same date last year.

This year, with grain prices more nearly stabilized, it is expected that the company's grain merchandising activities in the Toronto districts will be facilitated. In view of this situation, coupled with the larger quantity of grain in storage, the outlook for the current fiscal year, according to Mr. Leitch, is for larger earnings and higher profits.

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QUALIFIED ACTUARIES
Specializing in Pension Fund organization and valuation, statistical analysis and Hollerith tabulation for casualty, fire and life insurance companies.
METROPOLITAN BUILDING - TORONTO

NEW ISSUE

$7,500,000

British Columbia Telephone Company

First Mortgage. Gold Bonds

5% Series A

Dated December 1st, 1930. Maturing December 1st, 1960.

Principal and semi-annual interest (June 1st and December 1st) payable at the holders' option in Canadian gold coin at any branch in Canada (Yukon territory excepted) of The Canadian Bank of Commerce; or in pounds sterling at Messrs. Brown, Shipley & Co., London, England, at the fixed rate of $4.86⅔ to the £1; or in United States gold coin at the Harris Trust and Savings Bank, Chicago, or at the principal office of The Bank of America National Association, New York. Coupon bonds in denominations of $500 and $1,000, registerable as to principal only. Fully registered bonds in denominations of $1,000 and authorized multiples thereof. Redeemable at the Company's option, in whole or in part, on any interest payment date, upon sixty days' notice, at a premium of 5%, up to and including December 1st, 1940, the premium thereafter decreasing 1% each five year period up to and including December 1st, 1955, thereafter up to and including December 1st, 1959, at a premium of 1% and thereafter at par to maturity; in each case with accrued interest.

MONTREAL TRUST COMPANY, TRUSTEE

CAPITALIZATION
(Upon completion of this financing)

	Authorized	To be Outstanding
First Mortgage Gold Bonds	$10,000,000*	$7,500,000†
6% Cumulative Preference Stock (Par Value $100)	$1,000,000	$1,000,000
6% Cumulative Preferred Stock (Par Value $100)	$4,500,000	$4,500,000
Ordinary Stock (Par Value $100)	$4,500,000	$4,500,000

*Additional First Mortgage Bonds may be issued only under the restrictions of the Deed of Trust.
† of 5%, Series A, maturing December 1st, 1960 (this issue).

Mr. Gordon Farrell, President of British Columbia Telephone Company, summarizes his letter to us as follows:—

British Columbia Telephone Company, incorporated by Private Act of the Dominion of Canada, has in the opinion of Counsel the right in perpetuity to furnish telephone service in the Province of British Columbia and is the second largest telephone company in the Dominion. It operates without competition some fifty telephone exchanges and more than 116,000 telephones, serving a population in excess of 500,000, including the metropolitan areas of the cities of Vancouver and Victoria.

The Company, with its predecessors, has been in successful operation for more than 30 years during which time it has shown a steady and consistent growth in number of telephones and in gross and net income. Regular cash dividends on common stock have been paid for more than 23 years. The following indicates this growth in business since 1923:

Fiscal year ended	Telephones in Service	Gross Income	Net Income	Allowance for Depreciation	Available for interest, dividends and surplus
Mar. 31, 1924	78,289	$3,281,658	$1,246,318	$663,361	$ 582,957
" 1925	83,276	3,464,084	1,334,955	670,022	664,933
" 1926	89,295	3,727,693	1,428,743	695,644	733,099
" 1927	95,967	3,996,391	1,569,863	771,491	798,372
" 1928	102,010	4,317,212	1,811,166	882,587	928,579
" 1929	109,301	4,768,312	1,962,536	906,102	1,056,434
Dec. 31, 1929	114,693	5,133,993	2,096,021	987,974	1,108,047
Nine months ended Sept. 30, 1930	*116,821*	*3,943,644*	*1,545,915*	*782,509*	*763,406*

The above net earnings for the year ended December 31st, 1929, available for annual interest charge of $375,000 on this issue were over 2.95 times such charge after depreciation, and over 5.58 times before depreciation.

The Company has authorized and outstanding $10,000,000 of paid up capital stock. Upon completion of this financing the Company's only funded debt will be this issue of $7,500,000 First Mortgage Gold Bonds, 5%, Series A, which will be secured in the opinion of counsel by a first mortgage upon all the fixed property of the Company now owned and by a floating charge on other assets. Additional bonds may be issued under the first mortgage subject to the limitations of the Deed of Trust.

The proceeds of this issue will be used to redeem the entire issue of First Mortgage Debenture Stock of the Company, due May 1st, 1962, and for capital extensions and betterments made and to be made and other corporate purposes.

We offer these bonds, if, as and when issued and received by us and subject to the approval of all legal proceedings by Messrs. McGibbon, Mitchell and Stairs of Montreal, Counsel for the Bankers and Messrs. Mc Phillips, Duncan and Mc Phillips of Vancouver, Counsel for the Company.

These bonds are being offered in Canada, Great Britain and Europe.

Price: 95½ and accrued interest to yield 5.30%
(plus transfer tax)

W. C. Pitfield & Company

The Canadian Bank of Commerce **The Royal Bank of Canada**

Nesbitt, Thomson & Company LIMITED **Wood, Gundy & Company** LIMITED

The statements contained in this advertisement are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

83

Newsprint Industry Must Now Decide Course for Future

(Continued from page 1)

tions started early in 1927 for 1928 contracts.

Canadian Newsprint Co.

During May of 1927, the leading newsprint manufacturers of Canada, confronted with the problems of marketing their ever-increasing output of paper, organized the Canadian Newsprint Co. to sell their output. Common stock was owned by the companies whose products it sold.

These companies were:

Laurentide Co.
Price Bros. and Co.
Port Alfred Pulp and Paper.
St. Maurice Valley Corp.
Canada Paper.
St. Anne Paper.
Spanish River Pulp and Paper.
Fort William Paper.
Abitibi Power and Paper.
Brompton Pulp and Paper.
Belgo-Canadian Paper.
Murray Bay Paper.
Manitoba Paper.
Anglo-Canadian Pulp and Paper.

The Canadian Newsprint Co. was closely affiliated with the Canadian Paper Sales Co. organized about the same time and owned by the same interests. Aims and objects of the former were to stabilize the Canadian newsprint manufacturers' market. It controlled production, allocated the tonnage sold, and determined prices.

C. N. Co. Sign Up Hearst

Soon after its organization the Canadian Sales began negotiations with the Newspaper and Magazine Paper Corp. (Hearst company). A tentative agreement was reached covering the sale of 250,000 tons a year over a period of 10 years. Price was $69 a ton mill, freight allowed to New York. This meant a net price to the mill of $65 a ton.

Deliveries were made under this contract during the first 4 months of 1928. But in March, following upon a change in the personnel of the Canadian Newsprint Co., the latter refused to execute the contract and so notified the Newspaper and Magazine Paper Corp. on April 21, 1928.

The Hearst organization immediately severed relations with Canadian Newsprint Co. and began negotiating with constituent companies individually. Consequently contracts were entered into with Anglo-Canadian Pulp and Paper Mills and Brompton Pulp and Paper. While no details of the contracts are available, it is understood that the price was substantially the same as with the Canadian Newsprint Co.

Freight Allowance Policy

Policy of absorbing a part of the freight charges by the manufacturers was also adopted by International Paper in fixing its contract prices for 1928. For convenience in applying the freight absorption plan, the United States east of the Mississippi River was divided into four zones on the basis of the freight charges to be paid by the purchasers.

This is the reason why the newsprint companies and publishers are now vigorously opposing the efforts of the Canadian National and Canadian Pacific Railways to increase freight charges on newsprint.

I. P. Sets New Rate

International Paper informed its customers in November, 1927, of the adoption of this policy, which resulted in a net reduction in the cost of newsprint to the publishers of amounts up to $8.20 per ton, depending upon the location of the purchaser and the mill from which shipments were made. Other companies adopted the same policy.

At the end of May, 1928, International announced its prices for 1929. In addition to a reduction in the mill price, it also announced that beginning with 1929 it would absorb the same amount of freight as in 1928 plus $1 a ton. The effect of this was to secure a reduction in the cost of newsprint to the publisher of $1 a ton on July 1, 1928, and a freight reduction of $1 a ton on January 1, 1929.

Other manufacturers generally met International's new price by reducing their f.o.b. mill prices $3 bringing prevailing mill prices down to $62 per ton on July 1, 1928.

Before the beginning of 1929, however, Newspaper & Magazine Paper Co., abandoned its policy of negotiating with the individual companies for its supply of newsprint and on October 10, 1928, requested manufacturers to submit tenders for 140,000 tons of newsprint paper per year for five years beginning with 1929. International Paper submitted a bid and was successful in securing the contract.

The prices which this contract would have established were from $7 to $10 per ton lower than the price previously announced.

In all fairness to International Paper, the point should be borne in mind that this contract was secured on a competitive basis and further that it was for newsprint which the Canadian Newsprint Co. refused to supply after April, 1928.

Assail Hearst Contract

Canadian newspaper manufacturers, realizing that they would have to meet the prices established by the Canadian International Paper protested vigorously against the Hearst contract price being used as a basis for prices to other publishers. Here again, it should be clearly understood that newsprint is sold on a one-price basis. The buyer of 100 tons received the same consideration in the matter of price as the buyer of 10,000 tons.

Form Newsprint Institute

Before continuing with the Hearst contract and the breaking down of prices, it might be well to state that with the collapse of orderly marketing arrangements in the fall of 1928, the principal Canadian newsprint producers (largely those forming the old Canadian Newsprint Co.) got together and formed the Newsprint Institute of Canada. The functions of this concern were similar to those of the Canadian Newsprint Co., namely, production, sale and price of newsprint paper.

Premiers Take Interest

Referring again to the new International Paper price, the provincial governments of Ontario and Quebec stepped in and endeavored to bring about a readjustment of price, which threatened to seriously affect the Canadian manufacturers.

In November, 1928, Premier Ferguson addressed a letter to the Nipigon Corp. wherein a veiled threat was contained apparently for the purpose of coercing International into co-operation with the Government of Ontario and the newsprint manufacturers of the province.

Later in the same month A. R. Graustein, president of International, had a conversation with Premier Taschereau. The latter's desire was that Canadian International Paper, subsidiary of International, should subscribe to the agreement entered into by the other Canadian producers in the formation of the Newsprint Institute of Canada. This agreement provided for a curtailment of production to the actual quantity of paper sold and the allocation of orders received, to the various mills, on the basis of rated daily capacity.

Signing this agreement would have left International open to legal action by the United States government under the anti-trust laws. International refused to sign the agreement. In passing, it might be said, however, that International has co-operated to the extent that it has lived up to the agreement in spirit.

Readjust Hearst Price

Considerable pressure was brought to bear by the governments on International Paper and the Newspaper and Magazine Paper Corp. Negotiations continued throughout the remainder of December, 1928, all of January, 1929, and until the end of February, when an agreement was reached whereby the contract price was increased by approximately $5 a ton.

New contract was entered into between International and Hearst on February 26, 1929. No prices were written into the contract, but it is stated that the paper is sold at $65 per ton f.o.b. mill with the seller paying all freight to destination. This was the equivalent of a net price of about $55.20 a ton f.o.b. Quebec mills.

Operating Ratio Declines

Before continuing with the matter of prices, it is well to look at the situation from an operating standpoint. As a result of the formation of the Newsprint Institute of Canada, the member companies were allocated tonnage according to their rating.

The capacity of Canadian mills has increased rapidly. At the end of 1928 mill operations were 84.3 per cent of capacity or a rating of 9,897 tons a day. Boom conditions in 1929 resulted in an extraordinary demand for newsprint and despite the increasing installation of new machines, Canadian mills were actually able to step up their output and operated as high as 91.2 per cent of capacity in November, 1929, on a rating of 10,628 tons daily.

Percentage of output is apt to be misleading in so far as the Canadian mills are concerned. This figure includes operations of Canadian International Paper, Ontario Paper and other non-member mills, which were operating at 100 per cent of capacity. When allowance is made for this factor, it is seen that the Institute companies were carrying on operations at considerably under that figure.

1929 Price Fiasco

With production increasing, demand keeping pace, and prosperous conditions existing in the United States and Canada, the question of an increased price came to the fore again in the fall of 1929. The claim was made that on prices then prevailing, the Canadian manufacturers could do little more than earn their fixed charges. The question was asked "Why operate our mills when we cannot make enough money to pay dividends?"

Prior to November of last year, Canadian manufacturers, through the prime ministers of Quebec and Ontario, began their endeavors to have the price of newsprint for 1930 increased.

Graustein Refuses Request

On November 12 Premier Taschereau asked Mr. Graustein to increase the net price $5 a ton. Graustein refused. The reasons for refusal may be attributed to two causes, namely that the stock market break and general unsettlement of business did not warrant a price increase in the face of declining commodity values and, secondly, that an agreement to raise prices would be tantamount to an admission by International that it was party to price fixing and thus subject to the penalties of the Sherman anti-trust laws.

The significance of International's refusal to raise prices is better appreciated by an understanding that for years this company had taken the lead in announcing standard price contracts. Other companies followed. On the usual date of announcing the new price schedule—November 30—International notified its customers it would not be in a position to announce a change until the end of 1929.

Announced New Contract

Meanwhile certain members of the Institute went ahead and announced an increase of $5 a ton, with a rebate of $5 a ton for the first six months of 1930 to those customers signing a three-year contract.

Considerable pressure was brought to bear upon International to fall in line with this price policy, but that company announced that there would be no change in prices during the first six months of 1930. At the expiration of that period, business and other conditions made a price increase out of the question and International made another announcement that no change would be made.

It was early apparent that the attempt of the Institute members to increase prices would result in failure. Accordingly it was not surprising that the proposed price schedule was abandoned.

Capacity Grows Rapidly and Exceeds Consumption

Again turning to the question of operations one finds that no effort has been made by the provincial governments, bankers or leaders of the industry, to keep production in hand. The signs were everywhere apparent that demand in 1930 would not be as great as in 1929. The recession in business, lack of buying power, etc., had its effect on advertising, with the result that the size of newspapers diminished and in turn the amount of newsprint consumed.

But in the face of this, capacity of Canadian newsprint mills increased from 10,748 tons daily at the end of 1929 to 11,940 tons in November, 1930. With a decline in consumption, this meant a smaller amount of tonnage available per machine. Bearing in mind the increase in rating, it is important to note that in the first 10 months of 1930, shipments from Canadian mills amounted to 2,300,528 tons. In the same period of 1929 shipments totalled 2,486,492 tons.

Ratio of operations to capacity has declined to a lower level than has prevailed for many years past. For the past month, the percentage of operations to capacity was 67.6 per cent.

Financial Troubles Ahead

Many of the Canadian newsprint manufacturers will find it difficult in covering their fixed charges out of earnings this year. With operations of the majority well under 65 per cent of capacity, it is apparent that tremendous economies have had to be effected in order to come anywhere near meeting their charges.

Production has been confined more and more to the low-cost mills. High cost units have been operated intermittently, or not at all. Woods operations have been abandoned to a large extent. Purchases have been made from settlers or pulpwood operators for the wood supply. "Eating out of the pile," or taking pulpwood from storage, has been a common practice this year. Staffs have been reduced and various other economies put into effect.

Cut Down Costs

All this has had the tendency of cutting down costs per ton of newsprint manufactured. In some instances, the savings have been made at the expense of future operations, such as limiting woods operations. But the immediate effect has been to substantially increase the percentage of profit per ton of paper—or reduce the loss.

During the past five years, new companies have been capitalized at a high figure. Old companies have had their recapitalizations reconstructed on a generous basis. Majority of newsprint companies in this country now have a capitalization out of line with their present earning power, or earning power during the next few years.

Position is Precarious

With operations on such a low scale, little prospect of an increase in demand over the next year or two, and even more machines coming into operation, the position of several of the companies is precarious, to say the least.

To continue as at present over a period of possibly two years or more means a severe impairment of the financial position of one or more of the operators. While it is possible to dip into reserves to tide a company over a temporary period, such a course is not expedient where the possibilities are that several years might elapse before conditions are back to normal unless steps are taken to correct the situation.

Leaders Seek Solution

Leaders of the industry have not been unaware of the situation. Each has striven to improve the position of his own company and prepare for the worst. Economies put in force have served their purpose, but they will not correct fundamentals. Contracts for additional newsprint tonnage are all important. The company with the largest tonnage is going to be in the best position to weather the storm.

Fight Over Contracts

International with its large Hearst and other contracts has been in the favored position. Developments the last six months have tended to further complicate the situation and make the outlook for the industry more unfavorable.

First move was undertaken by Canada Power and Paper in absorbing Anglo-Canadian Pulp and Paper Mills. This step was taken for one reason—to secure the large tonnage under control of that company. Anglo-Canadian has a long term contract with Hearst to supply his papers with 100,000 tons a year. Further the old interests in control of Anglo, Lord Rothermere and his associates, have linked their fortunes with Canada Power. Rothermere has control of important English newspapers, providing another valuable outlet for paper.

Link With Hearst

Following up this move Canada Power and Paper entered into an agreement with the Dominion Newsprint Co., an organization formed by Hearst to develop a newsprint project under the name of the Gander River Power and Paper Co. in Newfoundland. A contract was entered into between Hearst and Dominion Newsprint Co., whereby the latter was to establish a 1,000 ton daily capacity newsprint mill and to meet all of Hearst's paper needs upon the expiration of present contracts. Canada Power and Paper entered into the picture through exchange of a block of stock with Dominion Newsprint.

It is unlikely that Dominion Newsprint Co. will go ahead with the development for many years to come. First of all, approval would have to be obtained from the Newfoundland government. The present government, headed by Premier Sir Richard Squires, does not approve of the project in the form in which it has been presented.

It is understood that the Hearst contract with Dominion Newsprint has been assigned to Canada Power and Paper. The position of that company consequently has been strengthened, though it should be realized that any benefits will not accrue until the expiration of the International's contract in 1933.

Compete for Business

Another development worthy of note in the past few months has been the agreement among the members of the Institute to compete for each other's business. Already this has resulted in the re-allocation of a number of contracts and has given rise to some irritation.

Friction Within Institute

Prior to this last move, however, friction had developed within the Institute. Two members claimed that some of the other companies were not living up to the agreement and announced that in future they would follow a course best suited to their own needs irrespective of the Institute agreement. Colonel J. H. Price, president of Price Bros. and Co., threatened to resign. The matter was smoothed over and Price Bros. is still a member of the institute, with the provision, however, that it will act along lines considered in the best interests of the company.

Since the beginning of the year, it has become more and more apparent that some of the companies are in danger of going on the financial rocks, if steps are not taken to bring about some form of relief. Earning power has been seriously depleted, there is lack of a common policy, mills have had to be closed down, new machines have been installed, reserves of capital have been eaten into, etc.

Merger of Big Groups Versus Open Market

The industry as a whole has become demoralized. As Canada's greatest manufacturing activity—essential to the industrial prosperity of the Dominion — steps must be taken to re-establish the industry and place it on a sound footing. The matter has got beyond the individual company stage. The industry itself is in danger of receiving a serious setback.

Two Alternatives Suggested

There are two ways out of the situation — one, an open newsprint market, cutting of prices if necessary, and elimination of the weaker and ill-conceived enterprise; two, consolidation of the principal producers.

Before reviewing these two alternatives, it is well to look at the principal phases of the industry, both as at present constituted and in the immediate future. There are many misconceptions and these should be cleared away in order that one may arrive at a proper understanding of the problems of the industry. For convenience these are divided into five main divisions. These follow:

Timber Areas Over-Emphasized

(1) Timber—Owing to proximity to the world's principal market, large areas of virgin timber lands, ample low cost water power and adequate railway and, to a lesser degree, water transportation, the pulpwood areas of Canada have been given an importance, which, upon examination, will be found to be somewhat exaggerated.

Many people are inclined to take for granted that Canada has a virtual monopoly on pulpwood. The statement has been made too often that "Canada's timber resources are inexhaustible," to be considered a fact. Canada's timber resources are not inexhaustible nor has the Dominion a monopoly on this product.

Russia to be Considered

Only within the last few months International and Paper and two other American companies imported several thousand cords of Russian pulpwood. This wood was laid down at the mill at a cost which compares favorably with that from Canadian points. The wood was of excellent quality, clean and free of knots. It has been suggested that this wood was dumped in the United States. Also that International imported it to show certain interests that it was independent in relation to its pulpwood supply. Either statement is of little importance, besides the main fact that Russia must be considered as an important factor in estimating pulpwood resources of the world.

Alaska Looms Larger

There is the possibility that steps will be taken to utilize the pulpwood resources of Alaska. This was recommended by the Federal Trade Commission of the United States following its investigation into newsprint prices. Alaska has tremendous reserves of pulpwood, ample water power; in fact all those items which go to make an economically sound newsprint industry.

Southern Pine Menace

Again there is the possibility that a way may be found to utilize the Southern pine of the United States in the manufacture of newsprint. This tree has a regrowth of 18 years, as compared with 75 years for Canadian spruce. At present southern pine is being used extensively in the manufacture of kraft. The cost delivered to the mill is roughly $5-$6 a cord, or considerably less than Canadian pulpwood.

At the moment this wood cannot be used for the manufacture of newsprint owing to the difficulty in removing the resin or gum. If this problem could be satisfactorily solved, there is every reason to believe that the centre of the North American newsprint industry would swing from Canada to the Southern United States.

Reserves Not Depleted

While much has been heard of the depletion of the pulpwood resources of the States, this statement, like many others relating to the newsprint industry, has been repeated so often that it too has become exaggerated.

In the state of Maine, for example, it was freely predicted ten years ago that by 1930 little or no pulpwood would be available. Yet today more Maine pulpwood is available than a decade ago. The cause is seen in the opening of new areas, construction of highways and the more widespread use of trucks. The areas adjacent to the railways have been largely cut over, but other regions have been penetrated by roads, and trucks are now extensively used in transporting pulpwood.

These examples have not been given with a view to minimizing the importance of Canada's pulpwood resources, but rather to show that this country has not got a monopoly and that in any discussion of the newsprint industry this fact should not be overlooked.

Striking Growth in Output

(2) Production — The manner in which newsprint production in this country has increased over the last twenty years, is one of the most striking evidenc s of industrial growth. Follows the record of production in the United States and Canada from 1913 to date:

	Tons — United States	Canada
1913	1,305,000	350,000
1914	1,313,000	415,000
1915	1,239,000	489,000
1916	1,315,000	608,000
1917	1,359,000	686,000
1918	1,260,000	735,000
1919	1,375,000	803,000
1920	1,511,000	875,170
1921	1,225,235	808,066
1922	1,447,688	1,080,333
1923	1,485,000	1,266,232
1924	1,481,425	1,352,994
1925	1,530,318	1,522,217
1926	1,636,695	1,881,737
1927	1,485,495	2,086,949
1928	1,414,952	2,381,102
1929	1,392,276	2,728,827
1930 (11 months)	1,182,929	2,313,225

Capacity Exceeds Demand

At present there is a considerable slack between productive capacity and demand. The situation is further int nsified by the fact that another machine will be placed in operation shortly. It is essential that a stop be put to the installation of further machines until consumption has taken up some of the present slack between supply and demand. This can only be accomplished by the co-operation of the provincial governments concerned and the bankers. One can prohibit the sale of timber limits or impose regulations regarding the cutting of pulpwood on Crown lands, while the other can refuse to put up the necessary capital.

Need U. S. Market

(3) Consumption — The domestic market is wholly inadequate to take care of the production of Canadian newsprint. Efforts have been made to develop overseas markets with a fair degree of success, but in comparison with total exports, the amount distributed through that channel is small. The principal market for Canadian paper now and for many years to come, lies in the United States. Production in that country falls far short of meeting the domestic demand. Accordingly it has been necessary for the publishers to look to Canada for their newsprint requirements.

Many of the larger publishers have found it advantageous to take a financial interest in established newsprint mills in this country, while others have entered into long-term contracts.

Details of Hearst Contract

Out of the total annual Hearst requirements of 540,000 tons, contracts are placed as follows:

	tons
Algonquin Paper Co.	27,000
Wisconsin River P. & P.	24,000
International Paper	140,000
Great Western Paper	3,000
Hennepin Paper	2,400
Anglo-Canadian P. & P.	110,000
Brompton P. & P.	63,000
Lake St. John P. & P.	78,000

With the exception of approximately 56,000 tons, this paper is all secured from Canada.

Publishers Are Producers

Patterson - McCormick interests, controlling the Chicago Tribune and New York Daily News, consumed 225,000 tons of newsprint paper annually. The principal source of supply for the Chicago Tribune is the Ontario Paper Co., with a plant at Thorold, Ont. The New York Daily News purchases nearly all its requirements from International Paper, whose operations are concentrated in this country.

Scripps-Howard newspapers consume about 158,000 tons of newsprint annually, practically all of which comes from Canada.

New York Times and The Chattanooga Times, consumes well over 100,000 tons of newsprint each year. Spruce Falls Power and Paper Co., meets their requirements. Adolph Ochs, owners of the papers, has a 49 per cent interest in the newsprint mill.

New York Herald-Tribune secures a large share of its newsprint requirements from Mersey Paper Co., at Liverpool, N.S.

This list could be extended to greater length, but it is sufficient evidence to show that there is a marked inter-dependence between the United States and Canada in respect to the source of supply and market for newsprint.

Outlook for Demand

Demand for a larger tonnage of newsprint than at present being consumed depends largely upon the extent of advertising in the United States. When advertising lineage in American papers dropped off earlier in the year, it was apparent that shipments would slow up.

Recent surveys of the business situation in the United States do not give much reason to believe that the turn will take place in the near future. Expectations are that the change will not come until late spring and that normal conditions will not prevail until 1932. Newsprint consumption in 1931 may not be any greater than in 1930 and it is doubtful if demand in 1932 will equal the record set in 1929.

For two years, at least, production will continue on the present limited scale. It may be four or five years before the normal growth in demand will catch up and shipments again continue the march of setting up new records each month.

Newsprint is International

(4) Price — As in pulpwood resources, Canada has no corner on the world's newsprint supply. Any attempt to set-up a monopoly or arbitrarily advance prices, would inevitably lead to misfortune. The attempt of Japan to control the camphor market; Chile in the nitrate field; Great Britain in rubber; are good examples of what happens when any one country endeavors to set up a monopoly.

There is little or no possibility of an upward movement in the price of newsprint over the next five years; in fact, if there is no price war, producers will be fortunate in maintaining prices at their present level. With pulpwood and operating costs lower, there is more likelihood of a demand on behalf of the publishers for lower prices. Values of nearly every commodity have fallen sharply in the last 18 months, yet the price of newsprint has been held.

Also it is to the advantage of the publishers to see that the price is maintained, in view of the growing demand that advertising rates be lowered.

More Amicable Relations

Another factor to consider in the price situation, is the better relationship existing between producer and publisher. In years gone by the producers have run roughshod over the publishers, increases have been railroaded through. This situation has changed and there is now a better understanding of each others problems and the future will likely see a closer co-operative effort in the adjusting of prices upward or downward.

Capital Too High

(5) Capital—Undoubtedly many of the producers are over-capitalized. Certainly they are over capitalized in relation to their present earning power. Doubt is entertained of the ability of some of the manufacturers to cover their fixed capital charges this year.

One manufacturer has an unwieldy capital structure and whether or not a reduction is made to bring capital in line with earning power, a reconstruction will have to be brought about at some future date.

Taken on the whole, however, capitalization of the newsprint manufacturers is too high. A cut in capital is needed.

Open Market Plan on Survival of Fittest

With this background, it is possible to consider the two alternatives suggested before for the relief of the industry. First to be considered is the advisability of establishing an open market for newsprint. By the expression "open market" is meant the elimination of all cartels, or any semblance of control. In this way each producer would be allowed to go out and secure all the business he could get on his own terms.

This policy would place the publisher in a particularly advantageous position, at least temporarily. Producers on the other hand would have to cut prices and possibly accept business at less than the cost of production.

Weakly - established companies might go under. The victory would go to the company with the strongest finances, best management and strongest connections with the trade.

Problems Would Arise

Out of the wreckage would appear two or three dominant concerns. What would happen to the mills of the companies which go under? Would it be possible to close down these properties permanently? Or would they be bought in by the bondholders or other interested parties? In the case of the latter, the new owners might well secure a good property at a very low cost. This in turn would permit them to operate with very low fixed capital charges. The units would again be brought into production and the situation still remain involved.

Contracts May Be Liability

Would those manufacturers with long term contracts come through the fight in the best shape? These contracts are based on a sliding scale of prices, i.e., the price paid by the purchaser is the current market price. It is obvious that the position of the contract holder is not too enviable. In the event that one or more of the larger companies should cut prices $5 or $10 a ton, as would quite likely be the case, the holder of the large contracts might find difficulty in fulfilling his obligations. It is a vicious circle, and the victor would be the one with the longest purse, or the soundest management and lowest capital.

The proposal has one chief merit; it permits economic laws to rule untrammelled by attempts at artificial control.

Consolidation Plan Long Under Discussion

Consolidation of four of the principal producers, namely, Abitibi Power & Paper, Canada Power & Paper, Backus-Brooks and Canadian International, has been on the books for some time, but no agreement has been reached. There is a considerable amount of opposition to further mergers. The points in favor of such a move, however, are sufficiently important as to warrant close consideration.

Merging of these four paper producers would permit the establishment of a single policy for the Canadian industry.

Make Reorganization Possible

Merging would also make possible the necessary reorganization work. At the moment investors in newsprint securities, as well as the general public, are in the mood to accept any changes which might be considered advisable. A year from now such feeling may not exist.

It would be possible in a merger to effect a capital reconstruction. By placing a reasonable valuation on properties, timber limits, contracts, etc., the capitalization of the merged companies could be reduced to a point where it would bear a closer relationship to earning power. Substantial reductions would have to be made. But it is far better for the investor to have a security, backed by conservatively-valued assets and reasonable earnings, than one which, as at present, has little earning power behind it and assets of dubious value.

Scrap Old Machines

Also it would be possible for the consolidated organization to do house cleaning. There are a number of old machines which should have been dismantled some time ago. It was all right to operate them when demand was sufficient to warrant their operation, but in times like these, when only the low-cost mills can operate profitably, the old machines constitute a drag.

The consolidated company would be in position to handle the problem of looking after those people dependent upon the industry for their livelihood. With many mills closed down or operated on part time, the problem of providing these people with a livelihood is one of importance. Closing down of the old mills would make it necessary to see that these people are rehabilitated and this could be done by a strongly entrenched organization.

Provide for Stability

Successful completion of this merger would give the industry that stability which it has striven for over the past three years, it is urged. Effects of wide-open competition would be side-stepped and the industry given a chance to continue to grow along normal lines.

No Fear of Monopoly

Principal objection to the merger is the possibility that placing control of the majority of Canadian newsprint production would create a monopoly, which in turn might lead to dire results. It is difficult to believe that the interests who would control the proposed consolidation would be so stupid as to entertain for one moment the idea of setting up a monopoly. As already pointed out Canada has not got a corner on the supply of newsprint, nor in pulpwood resources. Further the past few years has taught the manufacturers a valuable lesson in that they must play ball with the publishers in order to secure the greatest benefit from their operations. It is to the publishers' interests also to see that the producer secures a reasonable price for his product. With a clear understanding of this basic point by both groups, there is no reason why amicable relations could not be maintained indefinitely.

Moving along these lines the proposed consolidation would be of such strength that there would be little inducement for promoters, bankers, or others to attempt the establishment—at least until such time as such a step could be taken without disturbing market conditions.

Lack of Confidence

Considering the advantages which might arise from consolidation, the thought arises: Why has this development not taken place? The reasons are few but weighty. As already mentioned, negotiations have been going on for many months. Meetings have been held in New York, Montreal and elsewhere, without a plan being conceived. The basic trouble lies in the fact that the leaders of the industry are ready to take all but give nothing. There has been a considerable amount of jockeying around for "position." The realization that some action is imperative in order to straighten out the affairs of the industry, has made each executive anxious to place his company in the best light possible. Some have inflated ideas of the value of their properties, others want to take advantage of any move that will bolster up their own position. The result is a hopeless lack of co-operation.

At the present time there is no doubt but that most companies realize that a consolidation is the best solution. But they are not willing to enter such a merger except on their own terms. This would destroy the whole purpose of the consolidation—cutting down of capitalization to reasonable limits and readjustment of operations.

Forceful Methods

Forceful methods would have to be taken to bring the companies into line. The leaders have shown a woeful lack of ability to settle their own troubles. If they are to merge they must appoint an arbiter or tribunal to judge upon valuation of properties for the purpose of consolidation. In this connection the name of E. W. Beatty, chairman and president of the Canadian Pacific Railway has been mentioned. Though he says that he has not been offered the position of arbiter, there is reason to believe that Mr. Beatty is interested in seeing that the industry is put on its feet.

Need For Authority

No matter what decision is handed down by an arbiter or tribunal, the finding would not please all parties. But the situation has gone beyond the point where the individual's feelings should be considered. The matter has assumed larger proportions than that, and any person or group selected to pass upon values should be given such authority that the finding will be absolute and binding upon all parties.

Strong Man Wanted

Once that is done, the next problem is to find a man with enough vision to head such an organization. There are many excellent operators in the newsprint industry, but few of an executive calibre required to handle such a consolidation. Maybe it will be necessary to go outside of the industry for such a man. Considerable care will have to be taken in selecting the leader, but once selected, he should be vested with all the necessary powers to enable him to operate the organization along the lines which he considers best for the company and the industry as a whole.

Throughout this survey of the industry no attempt has been made to lay the blame for the present troubles of the newsprint industry at the door of any particular interest. The damage has been done. Recriminations will not help. The only thing that matters now is restoring the industry to a prosperous state. Whether this can be done by means of a consolidation or through an open fight, whether through closer integration or elimination of all further attempts at integration, is a matter of opinion. At present the industry is drifting.

Our Monthly Investment Letter

MUCH information on business trends generally and on investments in particular is to be found in our Monthly Investment Letter.

"The Future Looks Brighter", and "Hydro-electric Power in the Prairie Provinces", are two features of the current number. Specific investment recommendations, and listing of bonds which have been called for redemption will also prove of value to investors.

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KIRKLAND LAKE GOLD MINES ATTRACT WORLD ATTENTION

LAKE SHORE NOW LEADER IN DOMINION

Mill Capacity Increased to 2,500 Tons Daily in November

$900,000 MONTHLY

Next Year's Production is Valued Near $12,000,000, While Earnings Will Grow Proportionately

Lake Shore now enjoys the distinction of being the largest gold producing property in the Dominion, with current production approximately $900,000 monthly.

At the present time, additions to the plant are nearing completion which has involved an expenditure of nearly $2,000,000 and has resulted in an increase in the ore treated from approximately 1,350 tons daily to over 2,100 tons, increasing the company's earnings in approximately the same ratio.

The head office of the company is at the mine at Kirkland Lake, but executive and stock control rests with Harry Oakes, staker of the company's original property.

History of Mine Singular

An unique feature of the company and one seldom written in the annals of big mining enterprises is that Mr. Oakes, the staker of the original claim which was the nucleus of the company's property, was able to consolidate and co-ordinate adjacent claims, and at the same time was able to hold control of the stock in the company and bring it through with the original capitalization to the present producing stage without a change in capital structure or a reorganization.

The nucleus of the company's property was staked in 1912. The company was incorporated under an Ontario charter in February, 1914, production operations started in March, 1918, and an initial dividend of five cents per share paid in the same year.

The property of the company totals 171 acres, one-half mile along the main break which passes through the camp in an east-west direction. Approximately one-half of the property is covered by the south arm of Kirkland Lake which at the present time prohibits mining operations of this section being carried through to the surface.

Increases Production

From an initial capacity of 60 tons daily the plant has been gradually increased until midsummer this year it was treating approximately 1,350 tons daily. This fall a further addition to the plant increased the capacity obtainable to between 2,500 and 3,000 tons daily. Current production is around 2,150 tons daily and indications are that if underground development warrants, this production will be increased to the capacity of the plant.

Early this year the No. 3 shaft was equipped with a modern new steel frame and hoist which will permit of mining operations to a depth of 5,000 ft.

The mill additions just completed are of a most modern and permanent nature. The mill is of modern steel construction with fire-resistant sidings, while the majority of the out-buildings and shops are constructed of hollow tile. The office building is of the type found at a prosperous industrial plant and incorporates all modern features.

Twenty-five cycle power for the company's operations is supplied by the Canada Northern Power Corp., and is distributed through the company's own transformer station.

For the benefit of its employees the company owns a modern fireproof apartment building, staff houses, and residences adjacent to the mine.

Deep Development Planned

The property has been developed through three shafts, two of which are used in production operations. No. 1, a three-compartment shaft, has been sunk to a depth of 2,200 ft. on the No. 1 or south vein where levels have been established at intervals of 100 ft. to a depth of 400 ft., then every 200 ft. apart. No. 3, a four-compartment shaft, is to be the main production shaft in the future and has been sunk to a depth of approximately 2,500 ft. and is being sunk more or less continuously to an objective of 4,000 ft. Levels have been established every 200 ft. and crosscuts connect this shaft with No. 1 shaft on all levels to a depth of 1,600 ft. On the 2,600-ft. level the crosscut is to be run to the No. 1 shaft and a raise put up on it to the present 2,200-ft. level of this shaft.

Down to the 1,000-ft. level both No. 1 and No. 2 veins have been opened up and developed nearly the full length of the property, approximately 2,400 ft. The 2,200-ft. level is the lowest point in the mine to receive development, and work started on this level this autumn indicates that the ore continues for about the same width, length and grade as it has on the upper levels.

The No. 2 vein system carries ore bodies of greater width and length than the No. 1 or south vein system. Indications are that lower levels are somewhat better than the upper horizon.

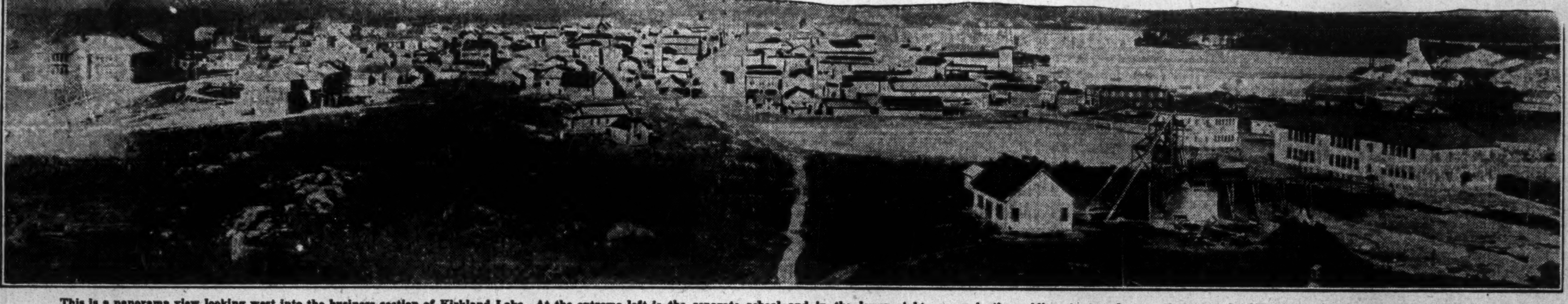
Indicated Ore Not Given

The broken ore reserves on June 30, 1930, were valued at $6,105,400, while previous estimates of ore reserves between the 1,400 and 1,600-ft. levels were given at $65,000 per vertical ft., and, as the management states, the values are somewhat better at depth.

Mill additions which were brought into service in October have resulted in a current capacity of approximately 2,150 tons daily being treated, resulting in a recovery valued at approximately $900,000 per month. When the normal capacity

(Continued on page 15)

Kirkland Lake Townsite Presents Splendid Appearance



This is a panorama view looking west into the business section of Kirkland Lake. At the extreme left is the separate school and in the lower right corner is the public school and recreation grounds. The body of water is Kirkland Lake.

Kirkland Lake Grows As Distributing Centre

Kirkland Lake likely will grow as a distributing centre for the mines and the Northern part of Ontario generally.

It has a growing population and the outlook for the various producing mines has led to the strong belief that the area has many years of life ahead of it. Kirkland Lake is a modern town in every respect, with all conveniences and its growing facilities makes it attractive for distributors of the necessities of life and of mining, construction and camping materials.

A glance at the map which appears elsewhere on this page illustrates the actual and potential advantages of Kirkland Lake as a distributing centre. Only a few miles off the main line of the Temiskaming & Northern Ontario railway, Kirkland Lake is on the most direct route from Toronto to Noranda, the branch also passing through Larder Lake and Cheminis. A winter road now is being built to Matachewan and should this area develop to the point of justifying a railway, Kirkland Lake will remain the logical headquarters for operations in that area.

Kirkland Lake is on the Ferguson highway and will undoubtedly benefit greatly as that highway becomes popular with tourists.

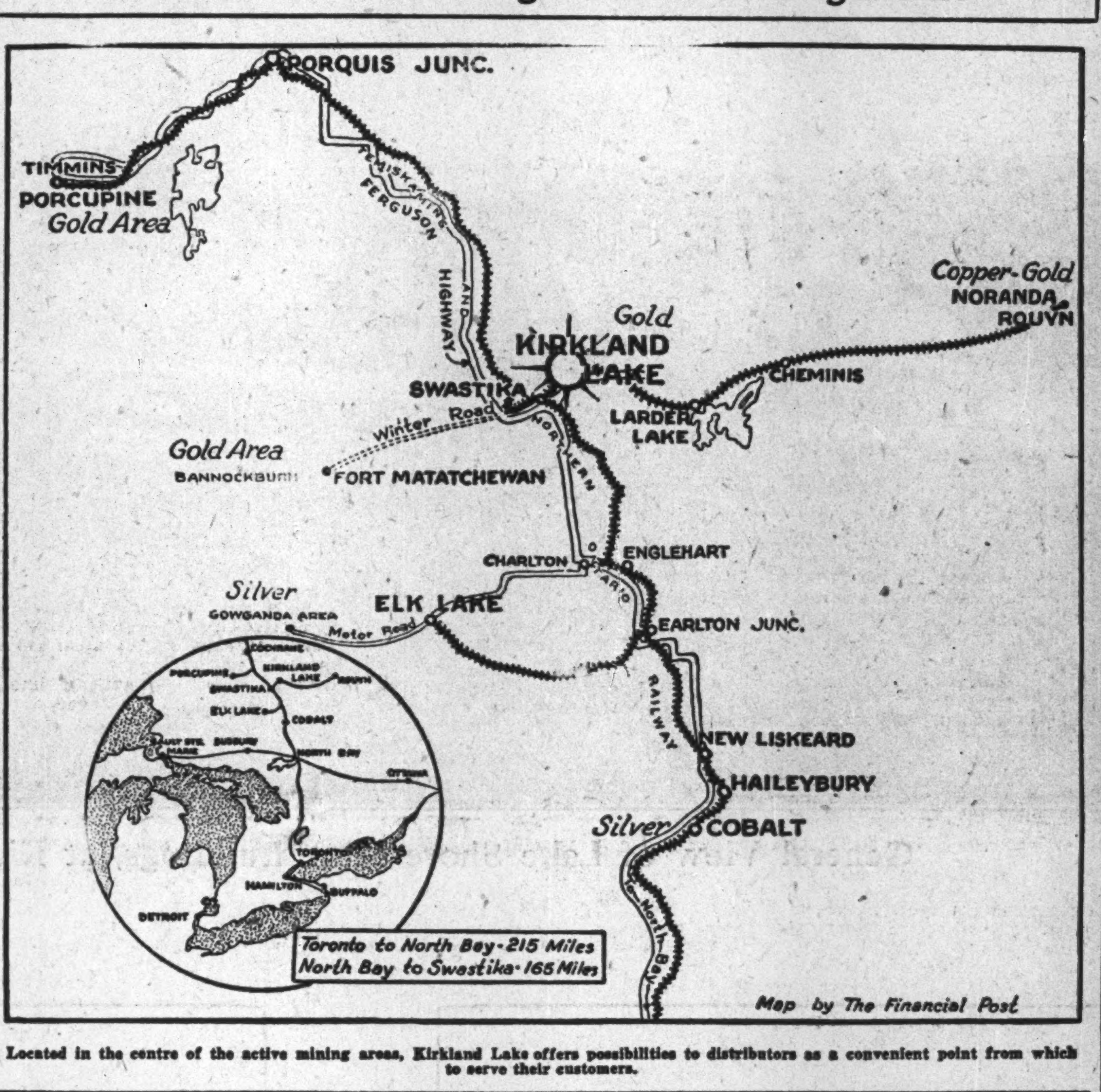
Kiwanis, Trade Board, Are Help to Community

Two of the most active organizations in Teck township, are the Kiwanis and the Board of Trade.

Through the efforts of the Board of Trade a winter road is being cut through the bush to the site of the new Matachewan gold find. This road is following the height of land westward from Swastika to Fort Matachewan, a distance of approximately 30 miles. It is planned to have this road ready at an early date, work now being well advanced. The cutting of this road is being entirely financed by the Board of Trade through subscriptions by its members.

The Kiwanis Club at Kirkland Lake is one of the most active in Northern Ontario. There are about 45 members, composed of the leading business and professional men of the community. Luncheon meetings are held every Friday. C. E. Rodgers, general manager of the Sylvanite Gold Mines, is president.

Kirkland Lake is Logical Distributing Point



Located in the centre of the active mining areas, Kirkland Lake offers possibilities to distributors as a convenient point from which to serve their customers.

Northern Mining Centre Has Luxuries of City

Homes and Comforts of Established Mining Town Equals Those of Older Communities; Air of Permanence Pervades Kirkland Lake

To those who have never visited an established modern frontier mining town, a welcome surprise is in store.

Only one necessity is demanded to make a modern mining town with all the comforts of living that are to be enjoyed elsewhere—ore and lots of it, with which the hand of providence dispensed a most liberal helping to Kirkland Lake.

Following in its wake there has grown up a modern town, a community with a community spirit which is reflecting an air of permanence, the mines paradoxically growing larger as their production increases.

Homes, rivaling those in the city, with every electrical convenience, modern plumbing and heating, conservatories and sun parlors are to be found and are limited only by financial status.

Outstanding are the schools of this community. Not only are there well equipped public and separate schools but this year a modern fireproof high school was completed which prepares the students for the university.

A modern water works and sewer system serve the town. At Gull Lake, at the eastern extremity of the town, is a modern electric pumping plant with a capacity of 2,750,000 gallons daily which not only supplies the residents but the mines, which take about one-half of the consumption. Fire protection is afforded by like capacity pumps and are supplemented by gasoline-driven auxiliaries, as well as a modern automobile pumping engine.

The fire department consists of a staff of three paid employees, supplemented by 25 volunteer firemen, and it is credit to their vigilance that no fire of major proportions has threatened the town.

The Kirkland District Hospital, built in 1926, now serves the community with a modern hospital said to be the best in Ontario, north of Toronto. It was built by the town on property donated by Harry Oakes and is operated by the Red Cross Society and principally maintained by that organization. The hospital has thirty beds and a nursery, is equipped with the most modern X-ray apparatus and an up-to-date operating room.

Hospital rates range from $3 to $5 per day. All cases resulting from mine accidents or miners suffering from pneumonia are treated free of expense to the patient.

In 1929 a public library of 1,000 volumes was established in the township hall, through the efforts of enterprising citizens. There is a membership of nearly 500, and in 1929 approximately 10,000 books were loaned.

Through the generosity of Harry Oakes and the Lake Shore Mines, the town was presented with a large skating rink that serves the dual purpose of a rink in winter and an auditorium in which to hold boxing bouts in summer. In winter, in addition to the skating facilities, two sheets of ice for curling are provided. Not only are the school children permitted to use the rink free of charge but also are provided with skates by the donors of the rink. Except in the severe winter season, a public produce market is held in the rink every Friday, which provides the farmers of the surrounding country with a market for their produce and permits a fresh cheap supply to the townspeople.

And Golf is revalent

Golf, one of the modern necessities of any virile community, is to be found here. Teck township residents take their golf with all the seriousness found in Southern Ontario. From a "pitch and putt" course at the Lake Shore mine, has developed the makings of a fine nine hole course of about 2,800 yards. The new course is on the Ferguson highway and next year will see seven holes with grass greens in use.

W.-HARGREAVES REGAINS STATUS OF BIG MINE

Currently Treating 760 Tons of Ore Daily

DIVIDENDS RESUMED

Earnings in Excess of Quarterly Requirements Now Seen; Was First Mine in Camp

Wright-Hargreaves Mines was incorporated in 1916 and production and milling operations started in 1921, while an initial dividend was paid that year. The company is directed and controlled by Buffalo interests.

The nucleus of the company's property was staked in 1911 by W. H. Wright, and was the first property on which gold was found on what is now the producing area of Kirkland Lake.

In 1913, the property was optioned and about three tons of high grade ore shipped which produced $1,127, being the first production to be taken from the Kirkland Lake area proper. The option, however, was allowed to lapse, and the property was idle for several years. Upon formation of the company in 1916 active development work started.

750 Tons Daily

Early in 1929, following a report on the property by M. W. Summerhayes, now general manager of the mine, the mill production was reduced to approximately 350 tons daily or about 50 per cent of its normal capacity in order to permit of more extensive underground development and building up of the ore reserves. Since that time the mill has been gradually restored and is currently treating around 750 tons daily.

The company's property consists of four claims, approximately 152 acres, and adjoins the property of Lake Shore Mines on the east. The main break of the camp is confined to three claims giving a total length to the No. 2 vein system of approximately 3,20 ft. The two main productive vein systems are the easterly continuation of those on the Lake Shore property, but considerable faulting has taken place and they do not have the same continuity that exists on the Lake Shore property, and consequently present a much more complex mining problem.

The property has been developed by two principal shafts, known as No. 1 and No. 3, sunk on the two main productive vein systems.

No. 1 is a two-compartment shaft and has been sunk to a depth of

(Continued on page 15)

TECK-HUGHES IS INCREASING GOLD OUTPUT

Mill Capacity to Be Increased 35 Per Cent by May 1, 1931

NEW SHAFT IS READY

New Low Levels Are Being Opened Up to Depth of 3,605 Ft.; Is Second Mine in Camp

Teck-Hughes Gold Mines is the second largest gold producing property in the Kirkland Lake camp. It has a construction programme under way which is planned for completion by May 1, 1931, that will increase its capacity approximately 35 per cent and make it capable of treating 1,250 tons of ore daily.

The head office of the company is at Kirkland Lake, but executive and stock control are in New York City.

Teck-Hughes was one of the first companies to undertake development in the Kirkland Lake area. Production started in 1917, and dividends were first paid in 1926.

Early Years Discouraging

In 1914 control of the company's property passed into the hands of the Great Northern Silver Mines and was later optioned by the Nipissing Mines Co. in December of that year which, however, relinquished this option prior to a second payment due in March, 1915.

In September, 1915, a syndicate composed largely of those interested in the Buffalo Mine at Cobalt and headed by the late C. L. Denison secured an option on the property. The new interests immediately proceeded with the construction of the 50-ton cyanide mill, but it was not put into operation until the power company completed its transmission line to the camp in 1917.

The early operating efforts of the company resulted in a deficit of over a quarter of a million dollars and in July, 1918, the property was forced to close down. Additional funds, however, were secured in November of that year and operations resumed, but again the company was placed in a difficult position owing to labor trouble and outstanding financial obligations.

In 1923 the company's property was amalgamated with that of the Orr Gold Mines, and the present company incorporated. Under the terms of the amalgamation 600,000 shares of Teck-Hughes stock were issued for 1,049,922 shares of the Orr Gold Mines, and an additional 730,030 shares of Orr Gold Mines were purchased at 35 cents per share. The remaining shares of Orr stock were exchangeable for Teck-Hughes on the basis of seven Orr shares for four Teck-Hughes.

The early struggles of the company and its financial difficulties were not equalled in the annals of Canadian mining. Several times it seemed that the company was swamped, but through the indomitable spirit of its executives it was able to surmount its financial difficulties.

Adjoins Lake Shore Mines

The company's property consists of 446 acres situated between the Lake Shore Mines and the Kirkland Lake Gold Mining Co. and is on the main break of the district in which the two main vein systems occur, passing obliquely east and west through the company's property for a distance of approximately 1,500 ft.

The original mill capacity of 50 tons of ore daily has been gradually increased and supplemented until at the present time there are two adjoining cyanide mills with a combined normal capacity of approximately 900 tons daily. The mill expansion programme planned for completion by May, next year, will provide for a daily capacity of 1,250 tons. Early in November, the new crushing plant, constructed in connection with the new South shaft, was started, and ore is conveyed from this point to the mill. The plant is entirely electrically operated by power furnished by the Northern Canada Power Corp.

Deep Development Instituted

The property has been developed by three shafts known respectively as No. 1, Central, and the South shafts.

No. 1 is a two-compartment shaft sunk on the No. 1 or South vein, and has been carried to a depth of approximately 475 ft. and carried from there as a winze to a depth of 1,105 ft. The central shaft has four compartments and was started in 1924. It is situated about 350 ft. south of the main vein outcrop; in order to intersect it at depth as it dips to the south. This shaft has been carried to a total depth of 2,980 ft. and levels have been established at 125 ft. intervals, connections being made with the old workings of No. 1 shaft and winze on the fifth and tenth levels. In January, 1930, a three-compartment winze along the footwall of the ore zone was started. This winze, which is southwest of the central shaft, starts at the 25th level and has now been completed to a depth of 3,605 ft.

In July, 1928, the new South shaft was started approximately 670 ft. south of the Central shaft, to intersect the main vein system at still greater depth. It is a four-compartment shaft and was completed to the 30th level or a depth of 3,605 ft. early in November. This shaft is equipped for hoisting in one lift on the 30th level and has a capacity of approximately 70 tons per hour. The main haulage crosscut between this shaft and the Central shaft working on the 25th level was completed in May of this year.

Work is now centred on opening up the lower levels of the mine. This work is well advanced down to the 25th levels, or a depth of 2,980 ft., and last month upon completion of the new South shaft the opening up of five new levels down to the 30th

(Continued on page 15)

Figures Tell Story of Rise of Kirkland Lake Camp

Year	Kirkland Lake Gold Value of Prod. $	Kirkland Lake Gold Dividends $	Lake Shore Value of Prod. $	Lake Shore Dividends $	Sylvanite Value of Prod. $	Sylvanite Dividends $	Teck-Hughes Value of Prod. $	Teck-Hughes Dividends $	Tough-Oakes-Burnside Value of Prod. $	Tough-Oakes-Burnside Dividends $	Wright-Hargreaves Value of Prod. $	Wright-Hargreaves Dividends $
1913	......	......	......	......	......	......	......	......	66,632	......	1,127	......
1914	......	......	......	......	......	......	......	......	117,644	......	......	......
1915	......	......	......	......	......	......	......	......	555,539	132,875	......	......
1916	......	......	......	......	......	......	......	......	711,625	265,750	......	......
1917	......	......	......	......	......	......	66,722	......	342,831	......	......	......
1918	......	......	416,414	100,000	......	......	80,570	......	139,683	......	......	......
1919	56,263	......	263,354	100,000	......	......	169,590	......	......	......	......	......
1920	286,901	......	503,735	80,000	......	......	247,757	......	......	......	......	......
1921	242,417	......	495,276	120,000	......	......	322,919	......	......	......	468,751	......
1922	224,396	......	471,341	80,000	......	......	596,495	......	107,481	......	762,753	412,500
1923	223,102	......	547,600	160,000	......	......	1,117,963	......	12,174	......	754,979	206,250
1924	46,513	......	1,098,572	380,000	......	......	1,023,025	......	47,547	......	1,088,725	206,250
1925	......	......	1,958,720	600,000	......	......	996,943	......	263,064	......	1,913,402	550,000
1926	126,999	......	2,775,000	1,000,000	......	......	1,601,209	474,714	309,709	......	2,150,844	893,750
1927	473,673	......	3,375,053	1,400,000	429,424	......	2,781,962	713,572	153,215	......	2,151,916	1,237,500
1928	414,596	......	4,073,965	2,000,000	738,146	......	4,948,896	2,860,286	82,316	......	1,838,510	825,000
1929	353,625	......	6,090,189	2,200,000	689,465	......	5,048,420	2,866,287	......	......	1,734,728	......
1930	545,000*	......	7,900,000*	3,000,000	805,000	65,990	5,537,757*	2,870,786	......	......	2,500,000*	......
Total	2,992,485	......	29,969,219	11,220,000	2,662,035	65,990	24,540,228	9,785,645	2,909,460	398,625	15,364,608	4,331,250

* Estimated

Grand total of Production from camp to end of 1930.. $78,438,035

Grand total of Dividends paid by camp to end of 1930 $25,801,510

Kirkland Lake, Teck Township, is not only the home of the largest producing gold mine in Canada at the present time, but is also expanding more rapidly than any large gold field in the world and indications are that in 1931 it will assume first place among the gold-producing areas in the Dominion.

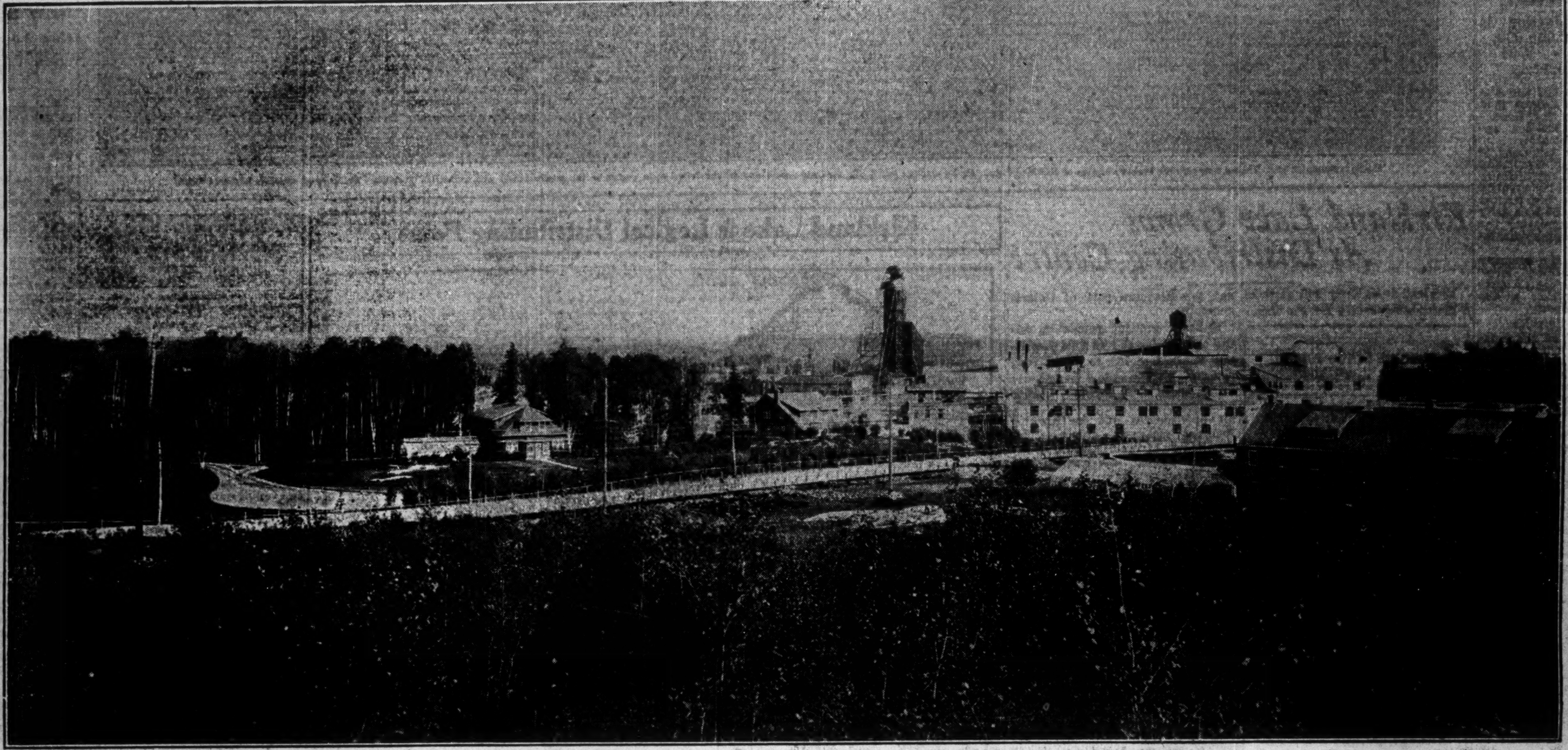
The total current value of production in the five producing mines in the camp in order of output, namely, Lake Shore, Teck-Hughes, Wright-Hargreaves, Sylvanite and Kirkland Lake Gold, is approximately $1,750,000, monthly. Expansion now taking place, planned for completion next year, will increase this to approximately $2,000,000 per month.

Aside from the five producing mines there are, at the present time, only three properties receiving development work, i.e., Tough-Oakes-Burnside Gold Mines, Goldbanks Syndicate and Canadian Kirkland Mines, Ltd.

A great deal of exploration and development work has been done in the past in the township of Teck, as well as in the adjoining townships, but at this date, through lack of finances or inconclusive results, practically all operations are suspended.

Lake Shore Mines, Limited

Kirkland Lake, Ontario



General View of Lake Shore Mine Buildings, at Kirkland Lake

Lake Shore Mines, Limited

(No Personal Liability)

Head Office and Mine

KIRKLAND LAKE, ONTARIO

Capitalization $2,000,000, Shares $1 par value

Executive Officers

HARRY OAKES - - - - President and Managing Director
W. H. WRIGHT - - - - - - - - Vice-President
DR. W. P. ST. CHARLES - - - - - Treasurer
KIRKLAND SECURITIES, LIMITED - - - - Secretary

Mine Superintendent

E. B. KNAPP - - - - - Kirkland Lake, Ontario

Directors

HARRY OAKES - - - - Niagara Falls, Ontario
LOUIS OAKES - - - - Greenville Junction, Maine
WILLIAM H. WRIGHT - - - - Barrie, Ont.
ALBERT WENDE - - - - Buffalo, N.Y.
ERNEST MARTIN - - - - Kirkland Lake, Ont.

Transfer Agents

THE TRUSTS AND GUARANTEE COMPANY, LIMITED
302 Bay Street, Toronto

MANUFACTURERS AND TRADERS-PEOPLES TRUST COMPANY
Buffalo, New York

Registrars

THE ROYAL TRUST COMPANY,
59 Yonge Street, Toronto

MANUFACTURERS AND TRADERS-PEOPLES TRUST COMPANY
Buffalo, New York

Auditors

J. P. LANGLEY & CO. - - - - McKinnon Building, Toronto

Listed

TORONTO STOCK EXCHANGE
NEW YORK CURB EXCHANGE
BOSTON CURB
STANDARD STOCK & MINING EXCHANGE

A CONSTRUCTION plan nearing completion will provide plant facilities for treating 2,500 tons of ore daily. Starting in November, production was increased from approximately 1,350 tons daily to 2,100 tons, with a current output valued at approximately $900,000.

FOR TWELVE MONTHS ENDING 30th JUNE, 1930

Income:			
Bullion Production		$6,576,780.45	
Interest Earned on Investments and Bank Balances	$38,417.86		
Exchange on Bullion Sales	32,947.97		
		71,365.83	
			$6,648,146.28
Expenses:			
Operating:			
Developing, Mining, Milling and General Expenses		2,690,372.10	
Administrative		46,573.50	
Provision for Taxes		271,746.13	
Depreciation on Buildings, Structures and Equipment		510,469.31	
			3,519,161.04
Profit for Period, carried forward, as set out in Balance Sheet attached			$3,128,985.24

The foregoing achievement was the result of handling an average of approximately 1,300 tons of ore daily, or a total of 467,648 tons during the year.

The following is the Total Production and Dividends Since the Commencement of Milling Operations

Date (Fiscal Years)	Period	Tons Milled	Bullion Production	Dividends Paid
Mar., 1918 to Nov. 30, 1918	9 mos.	14,948	369,680.31	100,000.00
Dec., 1918 to Nov. 30, 1919	9 mos.	11,907	294,513.72	100,000.00
Dec., 1919 to Nov. 30, 1920	12 mos.	18,889	483,701.93	80,000.00
Dec., 1920 to Nov. 30, 1921	12 mos.	21,681	460,186.37	120,000.00
Dec., 1921 to June 30, 1923	19 mos.	36,825	833,664.89	160,000.00
July, 1923 to June 30, 1924	12 mos.	24,223	578,242.59	160,000.00
July, 1924 to June 30, 1925	12 mos.	96,838	1,812,494.66	600,000.00
July, 1925 to June 30, 1926	12 mos.	125,676	2,235,184.40	700,000.00
July, 1926 to June 30, 1927	12 mos.	214,335	3,105,047.85	1,200,000.00
July, 1927 to June 30, 1928	12 mos.	237,962	3,629,317.57	1,600,000.00
July, 1928 to June 30, 1929	12 mos.	367,015	5,504,858.64	2,000,000.00
July, 1929 to June 30, 1930	12 mos.	467,648	6,576,780.45	2,600,000.00
			25,883,673.38	9,420,000.00

Since the end of the fiscal year a further distribution of dividends amounting to $1,800,000 have been paid, bringing the total distribution to $11,220,000.

LAKE SHORE NOW LEADER IN DOMINION

(Continued from page 13)

of the mill is fully utilized providing the same grade of ore is treated the monthly output will be in excess of $1,000,000.

Period (Fiscal Years)	Tons milled	Recovery val. per t.	Bullion prod.
Mar. 1918-Nov. 1918	14,948	$24.73	$369,680
Dec. 1918-Nov. 1919	11,907	24.73	294,514
Dec. 1919-Nov. 1920	18,889	25.61	483,702
Dec. 1920-Nov. 1921	21,681	21.22	460,186
Dec. 1921-June 1923	36,825	22.63	883,664
July, 1923-June 1924	24,223	23.97	578,242
July, 1924-June 1925	96,838	18.72	1,812,495
July, 1925-June 1926	125,676	17.79	2,235,184
July, 1926-June 1927	214,335	14.48	3,105,048
July, 1927-June 1928	237,962	15.25	3,629,318
July, 1928-June 1929	367,015	14.99	5,504,859
July, 1929-June 1930	467,648	14.06	6,576,781
June, 1930-Sept. 1930	122,515	14.70	1,799,999

Costs to be Lower

The total operating costs of the last fiscal year were $6.48 per ton, and indications are that economies effected through the new plant additions and improvements will show still lower operating costs. The following is a detailed comparison for the past three years:

Years Ended June 30	1930	1929	1928
Dev. & explor.	$1.78	2.33	...
Mining	2.71	2.58	...
Milling	.99	1.22	...
Taxes & marketing	.58	.61	...
General expenses	.37	.20	...
Total oper. expenses	6.43	6.94	6.74
Deprec. & write-offs	1.09	1.26	1.56
Total costs per ton	7.52	8.20	8.30
Recovery per ton	14.06	14.99	15.25

Earnings Steadily Increase

Earnings of the company have steadily increased since the commencement of operations, reflecting the expanding capacity of the plant. The following is a comparison of earnings for the past three years:

Years Ended June 30	1930 $	1929 $	1928 $
Oper. income:			
Bullion prod.	6,576,780	5,504,859	3,629,317
Add: Exch.	32,948	14,280	....
	6,609,728	5,519,139	3,629,317
Less: oper. exps.:			
Devel., mining, milling, adminis. & gen. exp.	2,736,946	2,325,543	1,603,864
Oper. earn.	3,872,782	3,193,596	2,025,453
Non-oper. inc.	38,418	32,811	28,259
Net earn.	3,911,200	3,226,407	2,053,712
Less reserves:			
Taxes	271,746	224,648	....
Deprec.	510,469	297,199	252,831
Exhaustion	....	52,758	120,000
Writ. off	....	111,642	....
Net profit	3,128,985	2,540,160	1,680,881
Less appropriations:			
Com. divs.	2,600,000	2,000,000	1,600,000
Surp. for yr.	528,985	540,160	80,881
Add: Prev. surp.	1,332,794	792,634	711,753
Bal. forward	1,861,779	1,332,794	792,634
Earnings Per Share and Dividend Record:			
Earned	$1.56	$1.27	84c
Paid	$1.10+20c	80c+20c	50c+30c

Current dividends are 30 cents per share quarterly, payable on the 15th of March, June, September and December. The September dividend carried a bonus of 30 cents per share which with the December dividend brought the total distribution for 1930 up to $1.50 per share. Indications are that the March distribution will be on the basis of 40 to 45 cents per share.

The following is a list of dividends paid during fiscal years:

Years Ended	Paid per share	Total
Nov. 30, 1918	5c	$100,000
Nov. 30, 1919	5c	100,000
Nov. 30, 1920	4c	80,000
Nov. 30, 1921	6c	120,000
June 30, 1923*	8c	160,000
June 30, 1924	8c	160,000
June 30, 1925	20c+10c	600,000
June 30, 1926	30c+5c	700,000
June 30, 1927	40c+20c	1,200,000
June 30, 1928	50c+30c	1,600,000
June 30, 1929	80c+20c	2,000,000
June 30, 1930	$1.10+20c	2,600,000
Sept. & Dec. 1930	90c	1,800,000
		11,220,000

*19 months.

Capital Structure

The authorized capitalization is $2,000,000 in $1 par value shares, all of which are outstanding.

The directors of the company are as follows: Harry Oakes, Niagara Falls, Ont., president; W. H. Wright, Barrie, Ont., vice-president; Louis Oakes, Greenville Junction, Me.; Albert Wende, Buffalo, N.Y.; and Ernest Martin, Kirkland Lake, Ont. Dr. W. P. St. Charles is treasurer of the company, Kirkland Lake Securities, Ltd. is secretary, and E. B. Knapp is mine manager.

GOLDBANKS SYN. SINKING SHAFT ON TECK CLAIMS

Strong Fracture is Traced Across Company's Property

Goldbanks Syndicate is developing a gold prospect in Teck township about 2½ miles west of the producing area of Kirkland Lake.

The syndicate owns three claims, approximately 135 acres, known as the Sawer-LeGrow-Martindale property adjoining the Oakes claims on the west.

A strong break has been discovered on the property and has been traced from the easterly boundary across the property until it dips under Perron Lake.

Surface work was carried out early this spring and a shaft started by hand steel near the eastern boundary. This fall a portable power compressor was installed and shaft sinking operations are continuing.

At a depth of 50 ft. a crosscut was started to intersect the vein.

The syndicate has a capitalization of 835 shares of which 307 have been issued, fully paid and non-assessable, as owners' units. At the present time financing is being done through the sale of these syndicate units at $100 each.

Ultimately, it is planned to incorporate a 3,000,000 share, no par value company in which the holder of each syndicate will receive 1,800 shares in the new company.

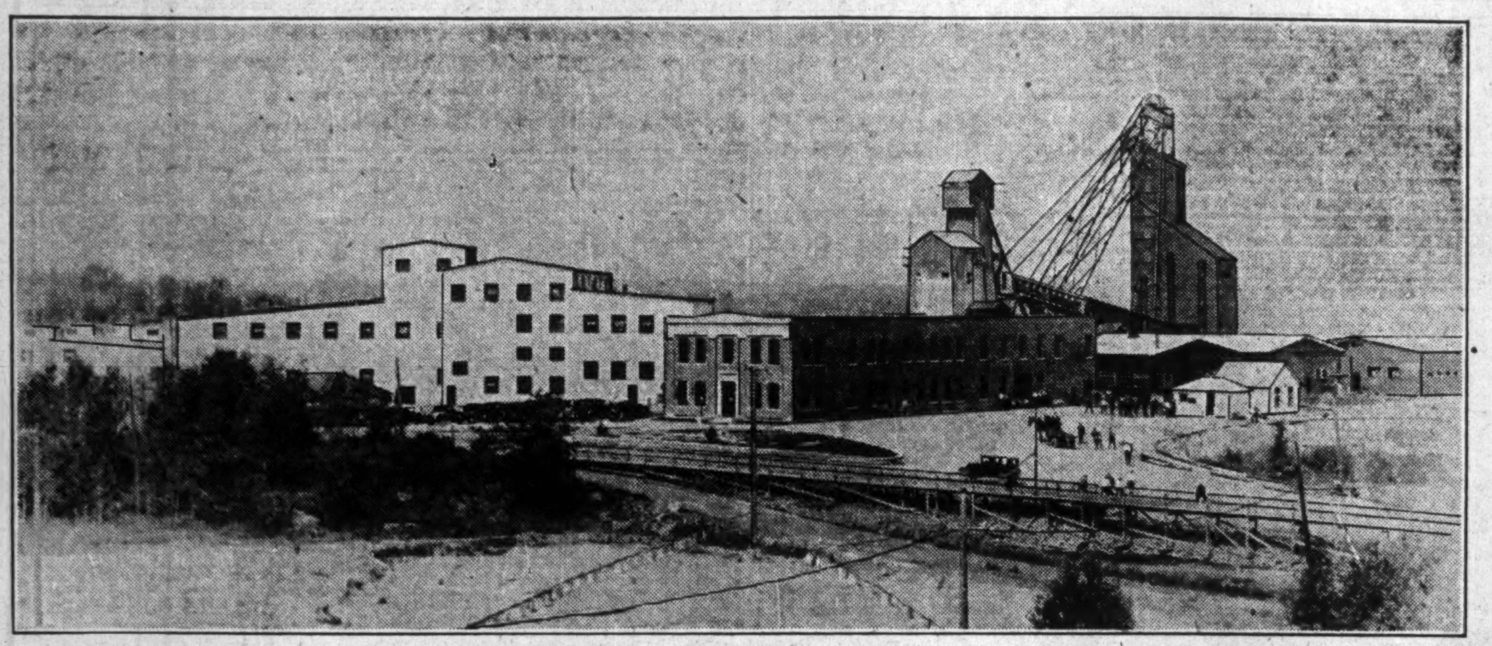
The head office of the company is London, Ont., C. Wesley Baker, London, Ont., is president; J. Sharman is mine manager.

Nipissing Mining Closes Its Exploration Office

Nipissing Mining Co. has closed its exploration office at Winnipeg and the engineers in charge are being transferred East.

To facilitate its Western exploration programme the company has maintained an office in Winnipeg as headquarters for its staff which has been engaged in reporting on various options taken. The low price of the base metals has not been conducive to exploration of these metals and the company is following a policy of retrenchment.

Canada's Largest Gold Producer is Lake Shore Mines



In the foreground is the new office building of Lake Shore and to the left is the recently completed mill addition that is currently treating 2,150 tons of ore daily and has a capacity of 2,500 tons daily. The unique new steel head frame is to be seen at the right.

TECK-HUGHES IS INCREASING GOLD OUTPUT

(Continued from page 13)

was started from the Central shaft winze, and it is planned to connect the 30th level of this area with the new South shaft; ore will be hoisted through it.

Broken Ore Reserves Given

The technical estimate of ore reserves on September 30, after making allowance for dilution, was given as 260,912 tons of broken ore averaging $17.40 per ton and 315,377 tons of blocked out ore averaging $17.45 per ton. No effort has been made to break or block out more ore than is sufficient to replace the tonnage treated, but upon completion of the shaft-deepening programme last month it was planned to do more extensive lateral development and block out ore in the new horizons opened up from the 25th to the 30th levels.

Production Steadily Advances

From an initial production of 50 tons daily in 1917 the mill capacity has been gradually advanced until at the present time an average of 950 tons daily is being treated. Construction programme now under way, to be completed May next, will make possible a mill capacity of 1,250 tons daily.

The following is the yearly production since inception of operations:

Fiscal Years Ending Aug. 31 Year	Milled	Value of Recovery	Recov. per ton
1917	6,291	48,440	7.70
1918	15,879	124,967	7.87
1919	16,907	149,875	10.27
1920	*.....	....	*....
1921	32,634	304,792	9.34
1922	43,300	481,144	11.11
1923	34,690	981,525	28.30
1924	42,381	1,111,674	26.23
1925	48,718	924,581	18.98
1926	79,564	1,461,367	18.36
1927	114,765	2,105,545	18.35
1928	276,652	4,504,707	16.28
1929	331,150	4,889,127	14.74
1930	340,675	5,415,970	15.89

*No statement issued.

Operating Costs Low

Owing to the high grade ore treated, the company's production cost per ounce of gold produced is recognized as being among the lowest in the world, while its cost per ton of ore treated compares favorably with other producers in the camp. The development expense now diminishing, will further reduce operating costs. Following is a detailed comparison of costs per ton of ore treated:

	1930	1929	1928
Dev. & explor.	$1.43	$1.16	$0.89
Mining	2.52	2.70	2.59
Milling	1.24	1.38	1.48
Taxes	.81	.78	.79
General expense	.59	.69	.68
Total oper. expenses	6.59	6.71	6.43
Deprec. & write-offs	.63	.65	.68
Total costs per ton	7.22	7.36	7.11
Recovery per ton	15.90	14.74	16.28

Steady Increase in Income

There has been a steady increase in the operating income with consistent and satisfactory write-offs for depreciation, but in 1929 dividends were not entirely earned, nor did 1930 make up for this sufficiently. A substantial increase in earnings is anticipated for the current fiscal year owing to the increased milling capacity during the last few months of this fiscal year. Following is a comparative statement of income for the past three years:

Years Ending August 31	1930 $	1929 $	1928 $
Oper. income	5,415,970	4,889,127	4,504,706
Less oper. exps.:			
Devel. & explor.	486,805	382,633	245,674
Mining	857,106	894,918	715,989
Milling	423,024	457,177	410,186
General exp.	203,401	227,083	188,601
Oper. earn.	3,445,634	2,927,316	2,944,256
Add non-oper. inc.:			
Int. & exch.	96,063	91,212	79,737
Total net earn.	3,541,697	3,018,528	3,023,993
Less: Deprec.	215,384	215,945	187,481
Taxes	274,427	259,065	219,019
Net profit	3,051,886	2,543,518	2,617,493
Less: Dividends	2,870,786	2,864,787	2,145,215
Surp. for year	181,100	*321,269	472,278
Add: Prev. surp.	2,080,091	2,401,360	1,929,082
Prem. on shares	30,000	....	....
Bal. carried fwd.	2,291,191	2,080,091	2,401,360
*Deficit.			
Earnings Per Share and Dividend Record:			
Com.: Earned	$0.64	$0.54	$0.55
Paid	0.60	0.60	0.45

Higher Dividends Likely

The current rate of dividends is 60 cents per share, payable 15 cents quarterly, on February 1, August 1 and November 1, and it is anticipated that this rate will be increased as soon as the new mill addition has demonstrated its earning capacity. Dividends paid since they were inaugurated in 1926 are as follows:

Paid in Fiscal Years Year	Paid per sh.	Amount
1926	10 cents	$ 474,714
1927	10 cents	713,572
1928	45 cents	2,145,215
1929	60 cents	2,864,786
1930	60 cents	2,870,786
1930*	....	....

*November 15 cents, 718,072.

Capital Structure

The company has an authorized capitalization of $5,000,000 in $1 par value shares of which 4,787,144 are outstanding.

The directors of the company are as follows: Albert W. Johnston, pres., New York City; George C. Miller, vice-president and secretary, Buffalo; Kintzingt P. Emmons, assistant treasurer, New York; Robert W. Pomeroy, New York City; John F. Thompson, New York City, Conrad E. Wettlaufer, Buffalo; William W. Reilley, Buffalo, John F. Lash, K.C., Toronto. William C. Himrod is treasurer of the company, and D. L. H. Forbes is general manager.

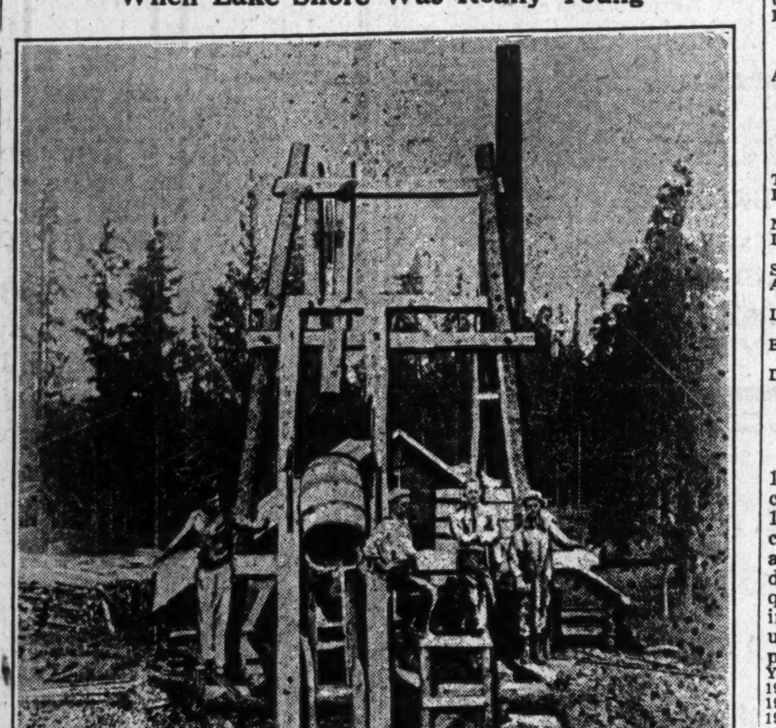
Kirkland Lake Gold Recovery Greater

Production by the Kirkland Lake Gold Mining Co. for November was $56,624 from 4,494 tons of ore treated, or an average recovery of $12.58 per ton.

In October the production amounted to $53,917 from 4,399 tons of ore treated, or an average recovery of $12.25 per ton, as compared with an average recovery of $9.60 per ton for the first nine months of the current year.

Since reaching the lower levels the company has had no difficulty in finding plenty of good ore to operate its mill at full capacity. The improvement in grade during recent months is marked and the company will complete the year with a total recovery of approximately $545,000, by far the greatest the company has ever enjoyed in its 12 years of mining operations.

When Lake Shore Was Really Young



This is a heretofore unpublished picture of the original headframe on the first shaft at the Lake Shore Mine. Harry Oakes is the second figure from the left.

W.-HARGREAVES REGAINS STATUS OF BIG MINE

(Continued from page 13)

2,000 ft. with levels established every 125 ft.

No. 3 is a three-compartment main production shaft. It was deepened during the past year from 2,250 to 2,400 ft., and is being continued with an immediate objective of 3,100 ft. Levels have been established from this shaft every 125 ft. to the 2,400 ft. horizon. It is connected with the No. 1 shaft on the 1,875 and 2,000-ft. levels, as well as on the upper horizon.

Milling Started in 1921

In 1921 a mill with an initial capacity of 200 tons daily was placed into operation. This has been gradually increased until in 1928 a total of approximately 750 tons daily was treated. However, it was found necessary to reduce this capacity in mid-summer, 1929, in order that ore reserves could be built up, but since that time it has been gradually increased and is currently producing approximately 750 tons daily. Preparations are being made to increase it through minor improvement to 800 tons daily.

Production since the commencement of operations has been as follows:

	Tons milled	Total Value $	Recovery per ton $
1921	36,081	468,665	13.00
1922	66,181	762,752	11.52
1923	79,242	754,978	9.52
1924	84,487	1,088,725	12.88
1925	147,939	1,913,401	12.94
1926	153,392	2,150,844	14.02
1927	209,164	2,151,916	10.51
1928	256,336	1,845,923	7.20
1929	188,238	1,741,872	9.25
1930*	157,870	1,750,680	11.10

*9 months ended Sept. 30.

Ore reserves were given the first time in 1929 and were estimated at 418,877 tons averaging $11.30 per ton. Since this time, however, ore developed on three sides has been officially estimated at 600,000 tons averaging approximately $12 per ton.

Operating Costs Low

Until the past year when there was an exceptional amount of development work done, the operating costs have been the lowest in the camp. Following is a detailed comparison of costs:

	1929	1928	1927
Dev. & explor.	$1.93	$1.28	$1.13
Mining	2.91	2.26	2.13
Milling	1.24	1.06	1.15
Taxes & marketing	.21	.19	.38
General expenses	.65	.52	.63
Total oper. expenses	6.94	5.31	5.42
Deprec. & write-offs	.24	.17	.37
Total costs per ton	7.18	5.48	5.79
Recovery per ton	9.25	7.20	10.51

Earnings to be Better

The past two years have witnessed a severe decline in earnings for the company owing principally to the lower grade of ore treated. However, indications are that 1930 will witness the biggest year's production the company has enjoyed, and with corresponding earnings. The following is a comparative income account for the past three years ended December 31:

Years Ended Dec. 31	1929 $	1928 $	1927 $
Bullion prod.	1,741,872	1,845,923	2,151,816
Less oper. exps.:			
Devel. & explor.	363,417	326,863	236,560
Stoping	345,431	349,333	263,596
Transf. & hstg. ore	203,040	231,227	182,933
Milling	233,603	270,946	241,336
Marketing	12,152	12,803	14,891
Misc.	7,220	5,867	11,367
Stock & transf. chgs.	3,655	19,692	19,057
Gen. chgs.	112,379	107,665	99,887
Deprec.	45,134	43,010	74,428
Oper. earn.	415,841	478,517	1,007,861
Less:			
Depletion	....	....	89,164
	415,841	478,517	918,697
Add other income:			
Exchange	9,098	1,418	478
Interest	39,706	34,799	45,360
Rent & etc.	105	3,791	4,641
Discounts earn.	1,345	1,401	1,861
Misc.	5,840	3,892	7,979
Total net earn.	471,935	523,818	979,016
Less taxes	27,000	36,000	65,000
Net profit	444,935	487,818	914,016
Less divs.	......	825,000	1,237,500
Surplus for yr.	444,935	*337,182	*323,484
Add: Prev. surp.	358,274	709,057	1,025,822
Adjust.	5,749	....	6,749
Less: Adjust.	488	13,601	30
Balance forward	808,470	358,274	709,057
*Deficit.			
Dividend Record and Earn. Per Share:			
Earned	0.08	0.09	0.17
Paid	...	0.15	0.35

Dividends Resumed

Dividends were paid initially in 1921 and were suspended with a 2½-cent quarterly payment on Nov. 1, 1928. A dividend declaration of five cents per share has been made payable on Jan. 2, 1931, indicating that dividends are to be resumed on a quarterly basis again. The following is a record of dividend distribution since formation of the company:

Year	Paid per Share	Amount
1921	.05	*$137,500
1922	.12½	343,750
1923	.05	137,500
1924	.12½	343,750
1925	.25	687,500
1926	.22½	618,750
1927 (old stock)	.25	687,500
1927 (new stock)	.10	550,000
1928	.15	825,000
1929	..	......
		$4,331,250

Has 5,500,000 Shares

The authorized capitalization of the company is 5,500,000 shares of no par value, all of which are outstanding. The original authorized capitalization was $2,750,000 in $1 par value shares, but this was increased to the present amount in 1927 by exchange of shares on the basis of two new shares for each $1 share held.

The directors of the company are: Oliver Cabana, Jr., president, Buffalo; W. H. Wright, vice-president, Barrie, Ont.; E. L. Miller, secretary and managing director, Buffalo; Oliver G. Donaldson, Buffalo; James Y. Murdoch, K.C., Toronto. G. F. Miller is treasurer of the company, and M. W. Summerhayes is general manager.

CAN. KIRKLAND IS CONTINUING DEVELOPMENTS

Lateral Work Being Done on 125-ft. Level of New Shaft

The Canadian Kirkland Mines is one of the few gold prospects in Teck township, outside of the producing area, that is being developed.

The company's operations are controlled and directed by Canadians and the head office of the company is in Toronto.

The property of the company was formerly owned by the Canadian Kirkland Gold Mining Co., but upon incorporation of the present company in 1927 the property was divided, part going to form the holdings of Northern Kirkland Mines. Under the reorganization old shareholders received one share in each company for each three shares formerly held.

Owns Six Claims

The company owns six claims, approximately 225 acres, in Teck township, about one mile southwest of the Lake Shore Mines.

Power for development operations is supplied by a gasoline-operated compressor.

The property has been reported on by E. W. Todd, geologist, formerly in the employ of the mines department, and the present work is being carried out according to his recommendations.

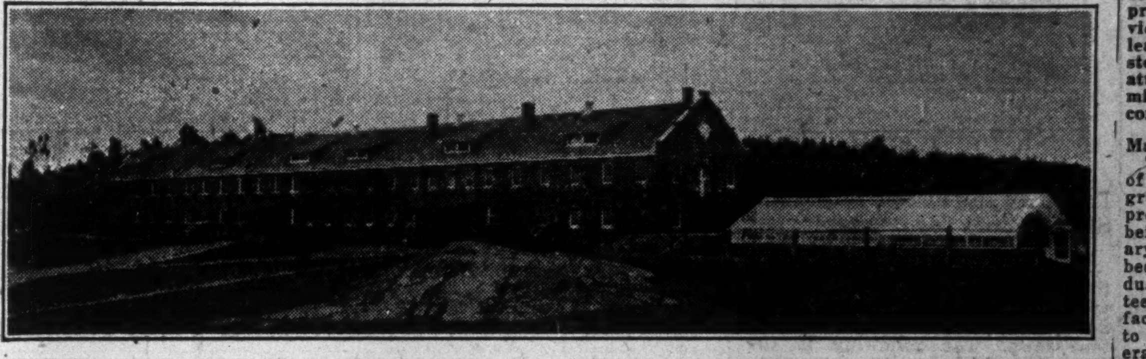
During the earlier development period a shaft was sunk to a depth of 400 feet, but in 1929 a new shaft, known as No. 2, a three compartment shaft, was started to the west of the old one, and has now reached a depth of 125 feet. Lateral work is being carried out on this level and two faces are in ore. A third shaft, westerly from No. 2 shaft, has been sunk to a depth of 65 feet and is in the nature of an exploration shaft.

The major fracturing on the northern section of the company's property has been established for a distance of 2,600 feet north of a diabase intrusion believed to be the same dyke that runs through the producing section of the Kirkland Lake camp. The company has developed a major fracture, large sections of which are in porphyry similar to the formation found in the producing mines.

The authorized capitalization of the company is $3,000,000, in $1 par value shares, of which approximately 1,500 are outstanding.

The directors of the company are: George Tough, president; W. B. McPherson, secretary; F. J. Carew, J. A. Hough and B. L. McLean.

Lake Shore Men Have Bunk House DeLuxe



This bunk house at Lake Shore Mines provides accommodation for 300 men. The conservatory seen on the right is used to provide fresh green vegetables for the miners and as evidence of its practicability nearly seven tons of tomatoes were grown here last winter.

Lake Shore, McIntyre Suggested as Purchases

Standard Statistics Points to Advantages Gold Stocks Have at Present; Think Well of Canadian Companies

Lake Shore and McIntyre, in particular, might be added to any well-diversified list of equity holdings, in the opinion of Standard Statistics, New York, which speaks favorably of Canadian gold stocks in general.

This recommendation comes in a bulletin dated December 15. Standard Statistics, which probably is the most widely used of New York stock-market analytical services, seldom has recommended a stock specifically in the last six months, maintaining, throughout, an attitude of caution in view of present conditions.

The comment, in addition to the concluding sentence, quoted above, is as follows:

"As a result of the continued decline in prices for such metals as copper, lead and zinc during the past year, renewed interest is being evinced in the gold mining industry, which is immune to such downward readjustments. Favorable prospects in this field are particularly apparent in the case of Canadian gold producers, the majority of which reported record production in 1929, and are likely to better this showing for the year now drawing to a close.

"Thus, for the first nine months of 1930, Canadian gold production amounted to 1,493,959 ounces, as compared with 1,426,187 ounces for the corresponding period of 1929. During September, production of 177,839 ounces showed an increase of 4.8 per cent over the preceding month, and of 10.1 per cent over output for September, 1929.

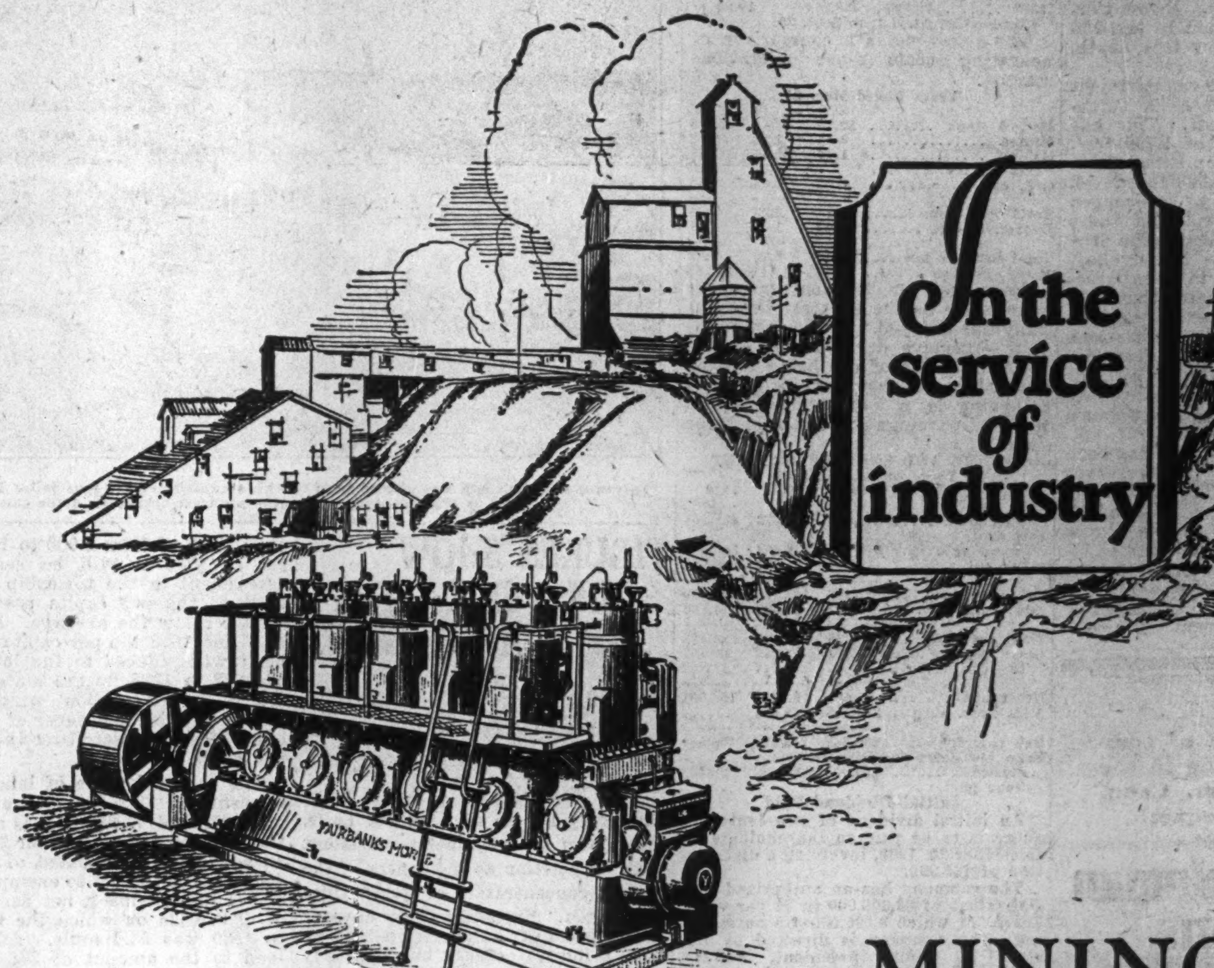
Foresees Improvement

"Of even more significance to near-term prospects than increased production, however, are the reduced costs now being made possible as a result of the decline in commodity prices. Whereas profit margins have been dwindling in most other divisions of the mining industry, because of the declining value of outputs, gold mining actually stands to benefit from this trend. In the first place, an extended period of lower commodity prices is likely to lower, at least indirectly, the operating costs of the gold mines, and in the second place the relative shortage of gold should stimulate demand for the metal. Coupled with greater production, these influences should result in at least moderate improvement in earnings for the leading Canadian gold mining concerns.

"Common stocks of leading gold producers in Canada declined almost steadily from October, 1927, to November, 1929, the index number for eleven such stocks (as compiled by the Dominion Bureau of Statistics) falling from 139.7 to 54.2 during that period. During the current year, however, quotations have shown considerable stability above the lows of 1929. At the present time, therefore, especially in view of the improved prospects for the leading companies, we believe that stocks in this group possess greater attraction than most other types of mining shares for holding through the coming year."

Manitoba Continues Industrial Growth

The Industrial Development Board of Manitoba reports that the industrial growth that has taken place in the province during the last five years is being maintained and that since January this year 32 new industries have been established; twelve existing industries have been enlarged and sixteen have added new lines. Many manufacturing concerns report their output to be well ahead of last year and several are employing from 15 to 40 per cent more people than they were a year ago.



MINING

ANY true service rendered to industry must be of such a nature as to create genuine and lasting satisfaction. The two following examples will illustrate the satisfactory service we are able to render from time to time to Canadian mines.

The whole power plant of the Base Metals Mining Corporation at Field, B.C., was Fairbanks-Morse equipped including two 400 and one 180 H.P. Diesel engine, as well as alternators, air compressors, pump and motor.

For the Johnson Asbestos Company of Thetford Mines, P.Q., we have supplied two No. 37 and two No. 38 Kennedy Ball Bearing Gearless Crushers direct connected to 50 H.P. Motors. This equipment included Generator Set and Automatic Starting Panel.

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FIRST DIVIDEND FOR SYLVANITE FORWARD STEP

Earnings Now Greatest Since Commencement of Operations

CAPACITY INCREASED

Developments at Depth Are Meeting With Success, Though Some Problems Remain

Sylvanite Gold Mines was the last gold property in the Kirkland Lake area to start production. In 1927 a new mill was completed and an initial dividend has just been declared.

The company's executive office is in Buffalo and control lies with Buffalo interests.

Sylvanite incorporated in 1913, when five claims, including the Wright and the Robbins, were acquired. An English Company, the Kirkland Lake Proprietary was associated with the early development of the company, and in 1921 after reorganization, took a two-year option along with Buffalo interests on $1,000,000 shares of the company's stock. In 1923 the English company sold its holdings to the Buffalo interests for approximately $600,000. The company's property consists of five claims, approximately 208 acres, between the Wright-Hargreaves and the Tough-Oak-Burnside properties.

Four Shafts Sunk

In 1927, a 200-ton daily capacity mill was completed which is equipped with a coarse crushing plant designed for 400 tons daily. In midsummer, 1930, through slight alterations, the mill was brought up to a capacity of 275 tons daily and is now operating at approximately that rate. Power for operations is supplied by the Canada Northern Power Corp. The hoisting equipment is designed for operating to a depth of 4,000 feet.

The principal work has been done on the southeastern claim, through which the easterly extension of the south vein series of the camp extends. The veins of the Sylvanite occur in two groups as in the case of the Wright-Hargreaves and Lake Shore Mines. In the case of Sylvanite, however, each group is somewhat more complex; it consists of a number of gold bearing fractures instead of strongly defined veins.

Four shafts have been sunk on the property two of which, No. 2, and No. 4, are used in production and development operations.

One Shaft Down 2,030 Feet

No. 2, a three compartment main shaft, near the middle of the southeast claim, has been sunk to a depth of 2,030 feet and levels have been established at irregular intervals down to 500 foot level. Below this, levels are 125 feet apart to the 150 foot horizon and below this depth, 250 feet apart.

No. 4 is a new two-compartment shaft started in May, 1929, northwest of the main shaft. This has been sunk to a depth of 1,750 feet. No hoisting of ore is planned from this shaft above the 1,000 foot level. Ore from this area is to be dropped to the 1,000 foot level and there trammed to the main shaft. The area in the vicinity of the No. 4 shaft continues to respond in a satisfactory manner and indicates that substantial quantities of average grade ore will be developed. Indications from diamond drilling and from development on the adjacent Wright-Hargreaves property lends promise for further favorable ore occurrance at depth.

Although mill production has been increased the broken ore reserves have been added to. The end of the company's fiscal year, March 31, 1930, the broken ore in the stopes was 55,807 tons. No estimate of indicated ore is made, owing to the nature of the vein systems.

Production has steadily increased since the commencement of operations and the past few months has witnessed mill improvements which now permits of the treatment of 275 tons daily. The following is the summary of production since commencement of operations:

Years Ended March 31

Year	Tons	Recovery	Rec. per ton
1928	57,341	$609,181	$10.62
1929	70,832	727,573	10.41
1930	75,408	690,400	9.16
1930*	39,993	399,914	10.00

*Six months April 1, to Sept. 30.

The following is a comparison of operating costs since operations started:

Years Ended Mar. 31

	1930	1929	1928
Dev. & expl.	$2.74	$2.41	$0.86
Mining	3.13	3.30	3.28
Milling	1.33	1.33	1.64
Taxes	...	0.14	0.20
Gen. exp.	0.93	1.05	0.90
Total oper. exp.	8.13	8.23	6.88
Deprec. & w.o.	1.00	1.06	1.11
Total cost per ton	9.13	9.29	7.99
Recov. per ton	$9.16	$10.41	$10.62

Earnings for the current year promise to be the greatest the company has enjoyed. In the last fiscal year extensive development results in lower grade of ore being treated and high development costs. The following is a comparative statement of earnings for the past three years:

INCOME AND SURPLUS ACCOUNT
Years Ended March 31

	1930 $	1929 $	1928 $
Bullion prod.	690,400	787,573	609,181
Less exp.:			
Operating	589,226	548,694	360,961
Adminis.	19,756	21,177	19,290
Net oper. earn. ..	81,418	167,702	228,930
Add: Other inc. ..	20,237	12,921	4,403
Total net earn. ..	101,655	180,623	233,333
Less: Deprec.	74,961	75,072	63,552
Taxes	......	10,077	11,700
Net profit	26,694	95,474	158,081
Add. Prev. surp...	253,555	158,081	......
Bal. car. for.	280,249	253,555	158,081
Earn. per Share and Div. Record:			
Earned	$0.008	$0.029	$0.048
None paid.			

Initial Dividend Paid

An initial dividend of two cents per share is to be paid to shareholders on December 20, 1930, involving a distribution of $65,990.

The company has an authorized capitalization of $3,300,000 in $1 par value shares of which 3,299,500 are outstanding. The company is directed by Edward L. Coons, president, Buffalo, William L. Marcy, vice-president, Buffalo; W. S. Walton, secretary, Toronto; W. V. Moot, managing director, Buffalo; Clark L. Ingham, Buffalo, Harry Yates, Buffalo, Alfred H. Sharpe, Buffalo. C. E. Rodgers is general manager.

Opinions

On the shares of companies operating in the Kirkland Lake Camp available on request.

ELGIN 8307-8

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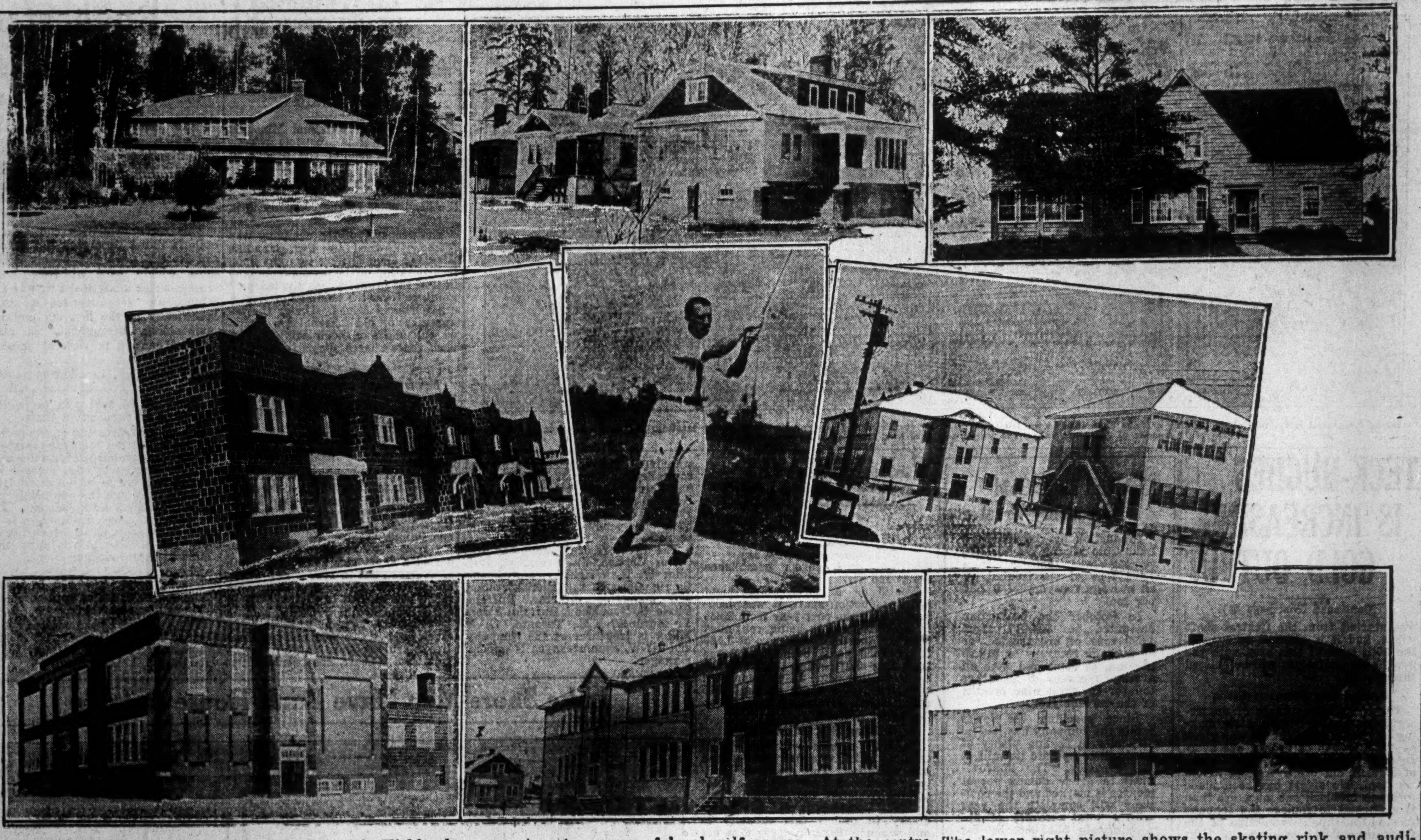
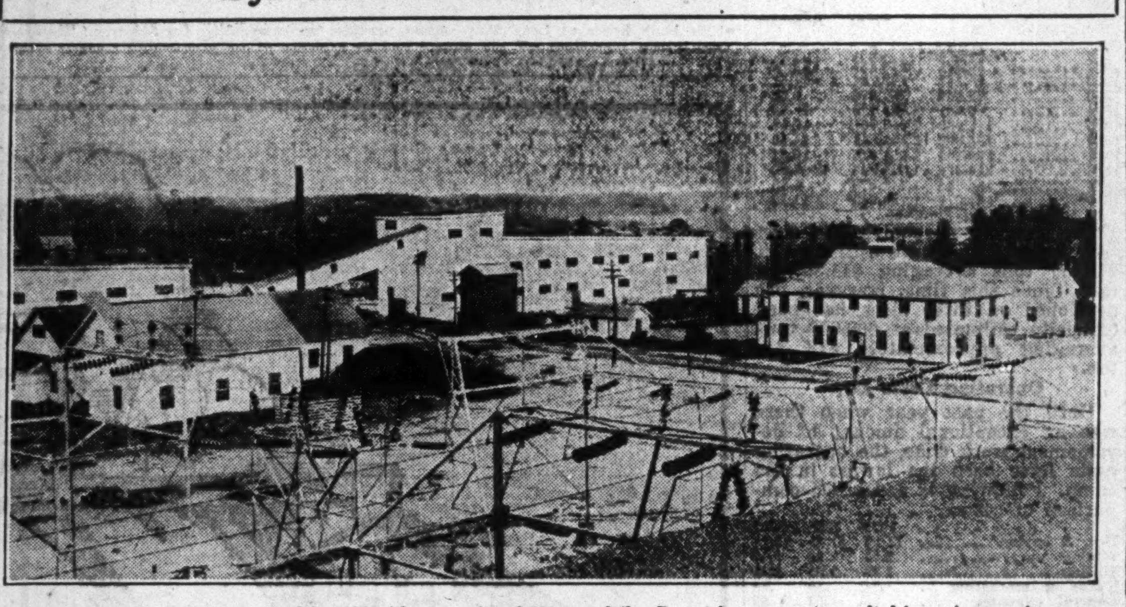


The upper pictures are typical of the homes in Kirkland Lake. At the centre left is an apartment house built by Lake Shore Mines for its employees. In the centre is G. G. Bowser, exponent and sponsor of local golf course. At the centre right are the public school and recreation grounds. The lower left shows the new brick high school completed this autumn. The centre bottom picture is of the separate school. The lower right picture shows the skating rink and auditorium given to the townspeople by Harry Oakes and Lake Shore Mines.

Sylvanite Gold Has Modern Plant



Sylvanite's modern mill was started in 1927 with a capacity of 200 tons daily. Recent improvements resulted in an increase in capacity to 275 tons daily. This, the youngest operation in the camp, paid an initial dividend this month.

FIGURES SHOW LOW PER CAPITA ASSESSMENT

Mines Are Source of Large Part of Revenue

The Township of Teck, more familiarly known as Kirkland Lake, has shown a development consistent with its position as the centre of the richest concentration of gold values in Canada. Since the early days of the original strike the township has been a hub of activity but the early period of development is now past and a thriving community has been established with fine buildings, up-to-date improvements and an enthusiastic community spirit.

With such leading gold mines as Lake Shore, Teck-Hughes, Kirkland Lake, Sylvanite and Wright-Hargreaves producing steadily and increasing their annual output, the Township of Teck has grown steadily. In 1923 the total assessment was only $775,085 as compared with $3,086,000 in 1930. The assessed population has increased from 1,526 people in 1923 to 7,520 in 1930 and income tax returns from mining companies have mounted steadily.

Figures Show Growth

This growth is readily shown by the figures of assessment and population for the past eight years.

Year	Tax Rate Mills	Assessment	Assessed Population	Assessment per Capita
1923 ...	39.0	$ 775,085	1,526	$508
1924 ...	47.0	1,056,365	1,971	536
1925 ...	48.2	1,393,000	2,402	580
1926 ...	46.1	1,698,962	3,001	566
1927 ...	50.1	1,927,545	3,796	508
1928 ...	55.0	2,234,000	5,700	392
1929 ...	53.8	2,850,000	7,056	404
1930 ...	51.4	3,086,000	7,520	410

Since the standard assessment on Canadian municipalities having a population of from 2,000 to 10,000 is set at $750 it will be seen that assessment in the township is low. In fact, the per capita assessment is well below the average. In 1926, 1927 and 1928 the per capita assessment was reduced to the low point of $392 in 1928 by the material increase in population which took place. The present level of $410 is but a slight increase over the record low point.

The assessed value of land in the township is $729,330 and of buildings, $5,489,417. Business is assessed for $170,650 and income for $267,063, an aggregate assessment of $6,656,460 which is subject to exemptions of $3,571,125 leaving a net assessment of $3,085,335 on which the tax rate in 1930 was 51.4 mills. Additional land to the amount of $48,155 and buildings of $25,475 are assessed for school purposes only, of which $10,000 is exempt.

Mines Are Taxed

The high percentage of exemptions is due to the fact that the operating mines are exempted from municipal taxes on practically all of their property. The township, however, shares with the Province of Ontario the income tax on the mines, earnings and in 1930 this amounted to $80,710. The respective receipts of the municipality and of the province from this source since 1923 are as follows:

	Income Tax For Mining Companies Municipality	Province	Total Income Tax Paid by Mines to Municipality and Province
1923 ..	$ 8,518	$ 8,518	$ 17,036
1924 ...	14,558	14,558	29,116
1925 ...	21,710	21,710	43,421
1926 ..	34,106	35,460	69,566
1927 ...	44,730	51,156	95,886
1928 ...	57,219	75,436	132,654
1929 ..	72,457	130,056	202,513
1930 ..	80,711	156,310	237,020
Total ..	$334,008	$493,104	$827,112

The township now has a total debenture debt of $996,000 and its bonds have a good standing due to the stable character of the mines which form the basis of the community's prosperity. Two sales of bonds have been made during the current year and both have been guaranteed as to principal and interest by the Province of Ontario. Because of this guarantee the township has received new money at comparatively low rates. A total of $132,000 6 per cent 20-year installment debentures was sold early in September of which $90,000 was guaranteed. In October the Roman Catholic school section No. 2 of the townships of Teck and Lebell sold $15,000 5½ per cent 20-year installment debentures at 105.69 and the cost of this money was 4.84 per cent.

Has Many Improvements

As at December 31, 1929, the township had a debenture debt of $672,337 out of an original issue of $777,075.

During the year ended December 31, 1929, the township had a deficit of $5,894. At the end of the previous fiscal year, however, a surplus of $44,951 had been carried forward so that the municipality was able to show a surplus at the end of 1929 of $39,056.

TOWNSHIP SEEKS GREATER SHARES OF INCOME TAX

Claims Present System Makes No Provision For Future

THE COSTS ARE HIGH

Asks Larger Part of Revenue Received By Ontario to Assure Debt Payment

Kirkland Lake has never been incorporated as a town and still operates under the organization of a township because of the nature of the mining industry upon which it is dependent. A large portion of its revenues are derived from the mines through the Mining Tax Act, while the mines and mining properties are exempt from local taxes.

The right to assess mining property on the same basis as other property was taken away from mining communities in 1908 with the object of relieving mining prospects from heavy taxation during a period of development. The result has been, in many cases, to force the mining community to carry on local improvements and costs of local government from revenue derived solely from mine employees and if the prospective mine does not materialize and its employees migrate to other centres the amount expended in civic development is too large to be met by remaining residents.

Petitions Government

The municipalities, in exempting mine properties from taxation, are allowed to share in the tax on income from the mines when they reach the production stage. The extent to which the municipality should share this tax with the provincial government is the subject of a petition by the Township of Teck, which is now under consideration.

The Township of Teck asks that the province of Ontario allow the township a greater proportion of the income tax on the producing mines because of the necessity for heavy capital expenditures made during the past five years. Eventually, with the completion of mining operations in the district, the population will be depleted, local taxes will return a much smaller amount each year, income taxes from the mines will cease and there will remain a debenture debt to be paid off. Proceeds from local taxation at the present time, it is stated are insufficient, despite a high assessment and a high tax rate.

Costs Are High

The present tax rate is stated to be higher than in many towns of even greater size in southern Ontario, while the cost of long-term money raised by sale of debentures is much higher than that of many communities. In addition to the high tax rate, householders are obliged to pay 2¼ per cent to 5½ per cent for insurance on dwellings for one year and from 12½ per cent to 15 per cent for money on first mortgages and eight cents per kw.h. for electric light.

As an example of the present system, Lake Shore, Teck-Hughes, Wright-Hargreaves, Sylvanite and Kirkland Lake Gold were assessed $369,875 for municipal purposes in 1929 and contributed $20,358 in taxes to the township. It is stated that a conservative assessment of the buildings and fixed plant of the same five mines, which, under the present system is exempt from taxation, would be $2,000,000. This property would have brought in $114,266 in taxes if it had been included in the tax rolls in 1929. The township received $72,457 as its share of the mines' income tax in 1929, so that the loss to the municipality is figured at $41,809.

Township authorities urge that sufficient of the mines' income tax is not given to reimburse the township for the public services rendered while the mines were in the development stage. The case of Sylvanite Gold Mines is given as an example. From 1919 to 1929, this company paid an average of $671 per year on its property assessment and during the same period there was an average of 75 men employed at the mine. At the time the petition was written there were 210 men employed. It is stated that the tax covering the property is only a small proportion of the actual cost to the municipality of providing municipal services to the employees and to the mine.

Province Gains

From 1926 to 1929, inclusive, the municipality received from the five producing mines a total of $208,511 from the mines' income tax and $78,476 in property taxes. The provincial government received, during the same period, $292,108, or more than $5,000 over the amount that the township received from both sources. It is stated that in 1925, with a population of 3,500 people and with none of the mines paying taxes on a production of more than $1,000,000 annually, the township was in a better financial position than at the present time when the output of the mines is much greater.

On property that has ore sufficient to return $45,000,000 in profits before exhaustion, the municipality will receive $675,000 if operations are spread over 45 years at the rate of $1,000,000 per year. If the profit is increased to $3,000,000 per year, and the life of the mine shortened to 15 years, the municipality will receive only $559,000, while the province in the same 15 years will receive, as its share of the income tax, $1,950,000.

In the petition, it is submitted that the township is entitled to receive not only a portion of the mines' income tax sufficient to keep the tax burden at a reasonable level, but in addition, to provide a reserve fund during the profit-making years of the mines' existence to be used to meet debt retirement charges falling due in the later years of the camp's existence. In the alternative, it is suggested that the right should be returned to the municipality of assessing mine property on the same basis as other property.

The Gold Stocks

It is our well considered opinion that the shares of a number of the Canadian Gold Producers offer an opportunity for profit.

Our "Mining Chronicle" issued monthly, keeps pace with developments and offers timely suggestions. We will gladly mail you a copy upon request.

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LAKE SHORE—

OUR Statistical Department have now in the course of preparation an exhaustive survey of the affairs of this important Gold Producer. This circular will contain information of importance to present or prospective shareholders of this Company. A copy gladly mailed upon request.

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W. M. SIXT, *Manager*
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Head Office
810 Lumsden Building,
Toronto 2, Ontario

Mine Office
Kirkland Lake,
Ontario

The ore on this property is in veins which occur on a great fault, locally known as the "Main Break," which extends through the producing mines of the Kirkland area. The ore pitches downward and westward in these veins. The rocks are Porphyry, Syenite, and Lamprophyre cut by cross-dykes of Diabase. The present bottom level of this mine is 4,308 feet below the collar of the shaft, being the deepest gold mine on the North American continent.

KIRKLAND LAKE IS SUCCESSFUL IN DEPTH PLAN

Company's Operations Are Now Deepest on Continent

PROFITS THIS YEAR

Recovery Greater and Grade is Higher This Year

Kirkland Lake Gold Mining Co. has been a gold producer at Kirkland Lake since 1919. Its operations are the deepest in the Kirkland Lake camp, in fact, the deepest gold mining operation on the continent.

The company's head office is in Toronto and direction and control is in that city.

The company although producing, regards its operations as one of development and, owing to the nature of the development, profits have not resulted. During the current year, however, the company has met with the greatest success in its history. Not only is production and recovery greatly improved but the year will close with an operating profit.

478 Acres in Property

After incorporation in 1915, the Beaver Consolidated Mines, now the Northern Canada Mining Corp., executed an agreement to do certain development work, receiving in payment treasury stock of the company. In March, 1924, re-organization and re-financing was announced. The Anglo-French Mining and Associates Syndicate assisted in financing but their agreement expired in 1926.

In June, 1929, the company acquired the adjoining properties of the Chaput-Hughes Mines through an exchange of shares on the basis of ten Chaput-Hughes for one Kirkland Lake Gold. A total of 239,123 Kirkland Lake Gold Mining Co. shares were issued in the exchange.

The company's property consists of 478 acres. Operations are confined to the McKane claim, immediately west of the Teck-Hughes Gold Mines on which the original find was made. The property has been developed by two shafts known as No. 1, and Central. The No. 1 shaft was sunk to a depth of 900 feet near the Teck-Hughes boundary but is not now in use. The Central shaft has three compartments and has been carried to a depth of 2,475 feet. Below this the mine is developed through a four-compartment winze located to the south of the Central shaft, which has been carried down to a depth of 4,275 feet, and has an ultimate objective of 5,500 feet.

Levels are opened up every hundred feet to a depth of 1,000 feet, then at intervals of 125 feet. Development work has been concentrated on exploration of the property at depth. The upper levels of the mine had scattered ore bodies, but approximately $1,000,000 worth of ore has been extracted from above the 1,100-foot level.

Tyrrell Theory Being Proved

In order to prove the theory of Dr. J. B. Tyrrell, vice-president and managing director of the company, that the porphyry, with which the rich ore bodies are found on the adjoining Teck-Hughes Gold Mines, dips westward at depth into the property of the company, deep exploration has been carried out. This theory is being confirmed by the fact that the lower horizon, particularly below the 3,475-foot level is showing increasing masses of porphyry and corresponding increasing amounts of ore.

At the present time the ore on these lower horizons is being developed faster than is required for the milling capacity of the plant and the value of the ore is steadily increasing. Developments on the 3,875-foot level have been carried farther and have the best showing of any horizon in the mine. Drifting has been carried out for over 500 feet on this level, showing good values over widths varying from 5 to 25 feet.

Can Go Down 6,000 Feet

During 1929 the winze was deepened to the 4,000-ft. horizon and was further deepened in 1930 to 4,275 feet. On the 3,225-ft. level a cross-cut was run eastward through the incoming dyke from the Teck-Hughes property, which was found to be within the Kirkland Lake Gold east boundary at a distance of 870 feet westward from the spot where it outcropped on the Teck-Hughes property. Cross-cutting to and exploration of the veins encountered on the lower horizon is under way but developments have not been carried sufficiently far to permit of a statement of ore reserves being made.

The property is equipped with 160-ton daily capacity cyanide mill, operated by electric power supplied by the Northern Canada Power Corp. Mining equipment is capable of operating to a depth of 6,000 feet.

Operations are carried on in the nature of a development programme rather than a production programme and it is a policy of the company to mill all ore encountered in development work that produces a profit over the milling cost. The following is a comparative statement of cost and recovery for the past three years:

Years Ended Dec. 31

	1929 $	1928 $	1927 $
Recov. per ton	6.60	7.16	9.00
Operating expense	7.70	6.30	6.50
General expense	0.34	0.32	0.36
Total cost per ton	8.04	6.62	6.86

The following is a statement of the total production from the property since inception of operations in 1919. In 1924 the mill operated but four months, while in 1925 it was shut down completely. In 1926 the mill was in operation for three months.

Year	Tons	Recovery	Rec. per ton
1919	11,324	$ 56,263	$4.97
1920	40,812	286,901	7.03
1921	43,966	242,417	5.51
1922	37,489	224,396	5.98
1923	45,449	223,102	4.91
1924	8,091	46,513	5.75
1925	.....	......	..
1926	10,829	126,999	11.73
1927	52,648	473,673	9.00
1928	57,883	414,596	7.16
1929	53,595	353,625	6.60
1930*	39,440	378,158	9.60

*Nine months to Sept. 30.

D. B. Hanna is President

The company has an authorized capitalization of $5,500,000 in $1 par value shares of which 5,239,123 shares are outstanding. The Northern Canada Mining Corp. owns 1,721,527 shares. The original capitalization of the company was $2,000,000. This was increased in 1924 to 4,000,000 shares of common stock and 1,000,000 shares of preferred. In 1927 the preferred stock was changed to common and in June, 1929, was increased to 5,500,000, the present capitalization, to permit taking over the Chaput-Hughes Mines for which 239,123 shares were issued.

The following are the directors of the company: D. D. Hanna, president, Toronto; J. B. Tyrrell, vice-president and managing director, Toronto; R. G. O. Thomson, Toronto; A. C. Matthews, Toronto; A. M. McQueen, Toronto; J. A. Dalton, Kingston, Ont.; J. C. Haight, Waterloo, Ont.; R. Graham, secretary, Toronto; W. M. Sixt, mine manager, Kirkland Lake, Ont.

Five Mines Are Kirkland Producers

The producing area at Kirkland Lake is restricted to five mines, situated adjoining each other, east and west along the main break that passes through the camp. Two main vein systems occur in this main break and are known respectively as No. 1, the south vein, and No. 2, the north vein. The latter is the wider and more productive of the two and to a large extent lies under the lake.

SALE OF SUDBURY PROPERTY FOILED

Vendors of Claims Did Not Approve of Deal

The meeting of shareholders of Sudbury Nickel & Copper Co., called for November 15 to consider the sale of the company's property to the Falconbridge Nickel Co., was adjourned.

The meeing was to ratify an agreement whereby Falconbridge was to take over all patented and unpatented mining claims of the company, totalling approximately 8,700 acres comprising various blocks around the norite contact in the Sudbury nickel range near Sudbury, Ont. For the property the company was to receive 50,000 shares of Falconbridge Nickel stock.

While no official statement has been made, it is understood that the reason the meeting was adjourned and the agreement not carried through was the dissatisfaction of a large number of shareholders who had turned in their respective claims in the area for shares in the company, and were unwilling to see their interests in these dwindle to a relatively small equity in the Falconbridge Nickel.

HISTORY SHOWS EARLY EFFORTS MISSED MARKS

Rush to Larder Lake Area Passed Through Present Site

SWASTIKA EXAMINED

Wright-Hargreaves is First Property on Which Gold Was Discovered; Will Be Greatest Camp

Kirkland Lake, like most mining towns, just grew.

Teck township first received attention by prospectors coming up from Cobalt at the time of the gold rush in 1906 into Larder Lake, which lies to the east. Many claims for gold were staked around Swastika (the indian emblem for good luck) and northeast from there to the lake that is now called Kirkland Lake, from which the townsite takes its name, but most of them were allowed to revert to the Crown.

The early mining efforts around Swastika, while interesting, were not conclusive, and it remained for news of the gold find in Porcupine to stimulate further interest in Teck township.

Mr. Wright Becomes Farmer

About this time, W. H. Wright, an old regular in the army, came north to work his "farm," a veteran's claim, which he had purchased from a fellow soldier for $150, only to find his "farm" was a swamp and muskeg and worthless. Following the spirit of the north at that time, he turned prospector, and to him goes the credit for the first gold discovery at Kirkland Lake in the autumn of 1911 on what is now part of the Wright-Hargreaves mine.

By the end of 1911, most of the claims, staked during the earlier years of the Swastika finds, were restaked. Early in 1912 the Tough brothers, Harry Oakes, W. H. Wright, and many names that have not been perpetuated by the mining monuments that have been raised to them, did their bit in the early struggle to make the camp what it is today.

It was not until the development of the No. 2 vein on the Tough-Oakes property in 1913, when high grade shipments of gold ore were made, that any great interest was created, which resulted in finding promising veins on the Wright-Hargreaves, Oakes (now Lake Shore), Teck-Hughes, Wettlaufer (Orr), Wood-McKane (now Kirkland Lake Gold) and Hunton properties. During 1913 the ore shipped from Tough-Oakes property amount to $66,632, while what is now the Wright-Hargreaves mines shipped $1,127.

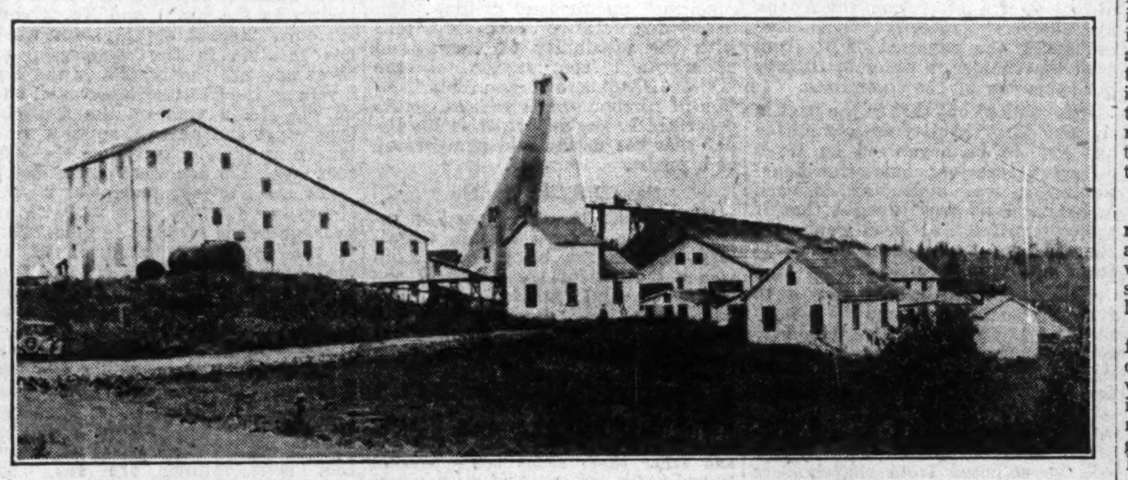
A stimulus was given development operations in midsummer, 1914, when electric power from Charlton was made available, resulting in a mill at the Tough-Oakes property in 1915. In March, 1917, power requirements were supplemented by a transmission line from Cobalt, and in that year milling operations started at the Teck-Hughes property, and in the following year at the Lake Shore mine. Kirkland Lake Gold Mining Co. started milling in 1919, Wright-Hargreaves in 1921 and in 1927 the youngest producer of the five mines operating today in the camp, Sylvanite, started a mill.

Town Established in 1914

The first settlement in the new camp was near the west end of the lake, Kirkland Lake, on a corner of the Teck-Hughes property. Here all that goes to serve a new mining camp was to be found, including Martins hotel that dispensed typical frontier hospitality and comforts.

About 1914 Routly and Summers, surveyors, in company with G. A. Bagshaw, of Haileybury, conceived, laid out and promoted the present townsite, and the original settlement on the Teck-Hughes property was moved to the new location farther to the east, on the shore of Kirkland Lake, where the present business district is located.

Kirkland Lake Gold Mill is Modern One



The head frame shown is over the deepest gold mining operation in Canada. The company is carrying out deep exploration work, is working at a depth of 4,275 feet, and has plans for sinking to 5,500 feet.

MODERN TOWN SPRINGS FROM CRUDE CAMP

Rail and Highway Afford Fine Distributing Facilities

Kirkland Lake has grown to be a centre of importance in Northern Ontario both in its own right as capital of Canada's richest gold mining area and through its position on what will eventually be a trans-Canada highway and its relation to the Rouyn mining area in Quebec were Noranda is situated. Located on the Ferguson highway, Kirkland Lake is midway between Cochrane and North Bay and is a logical stopping point for motorists going from one point to the other.

Four and one-half miles from Swastika on the Temiskaming & Northern Ontario Railway, owned by the Province of Ontario, Kirkland Lake is located on the spur line leading into the Rouyn area. North Bay is 170 miles south by rail and Toronto another 215 miles. North of Swastika is Porquis Junction, Timmins, in the Porcupine area, and still further is Cochrane and the spur line running up toward James Bay and the northern power developments of the Abitibi Power & Paper Co.

Is Modern Town

In this way Kirkland Lake is connected with both the south, the north and the east by both rail and highway while air transport is made possible because of the multitude of lakes dotting the north country.

Once, Kirkland Lake was on the fringe of Ontario's northern development; a crude mining town peopled with pioneers imbued with the optimism of a new strike. Now that the mines have been proven as leading gold producers, Kirkland Lake is no longer crude. It has streets that are paved and lighted, a modern sewage system; a well-equipped fire department; a model municipal building; a developed civic pride.

Grown from a mining camp with canvas walls in a brief span of years, the town depends chiefly on the mines which gave it birth and which promise long years of production. But, as a mining centre it has also become a focal point for miners, prospectors and engineers; an outfitting centre from which men go to seek new mineral wealth. With the opening of the Rouyn area in Quebec and the extension of a spur from the main line of the T. & N. O. railway east from Swastika through Kirkland Lake to Noranda, the town took on added importance as a distributing centre.

Has Good Hunting

To those travellers who would seek fish and game off the beaten tourist routes, the township of Teck offers opportunities. Its many lakes hold fish to tempt the experienced angler and in season deer can be had for the stalking. In addition, the tourist can see the largest gold mine of Canada. Since the town has never made any special advertising appeal for tourist traffic the attractions of the district are not widely known.

Sylvanite Gold Mines LIMITED

(No Personal Liability)

Sylvanite Gold Mines are situated astride the main zone or break from which the various mines of the Kirkland Lake district are producing now at an aggregate rate of about $18,000,000 yearly.

Sylvanite is the latest mine to be brought into production in this field, having commenced to produce gold in 1927. The total output up to November 30, 1930, has reached well over $2,500,000. Production recently attained a rate of over $70,000 per month. The September achievement was 7,143 tons treated and with a recovery of an average of $10.30 per ton.

The financial statement as of March 31, 1930, showed $402,371 among the assets made up of $383,749.64 in cash in banks and trust companies, together with $18,389.63 in bullion on hand and in transit, and $232.44 in accounts receivable.

It is very important that shareholders should now have stock transferred to their own names for the reason that Sylvanite Gold Mines, Limited, have commenced to pay dividends. An initial semi-annual disbursement of two cents per share has been declared payable December 20, 1930, to shareholders of record December 5, 1930.

Work has been carried to 2,000 feet in depth. Preparations are being made to extend work more or less indefinitely to greater depth. The mill has recently been handling 240 tons of ore daily. Ore now developed is greater than at any previous time.

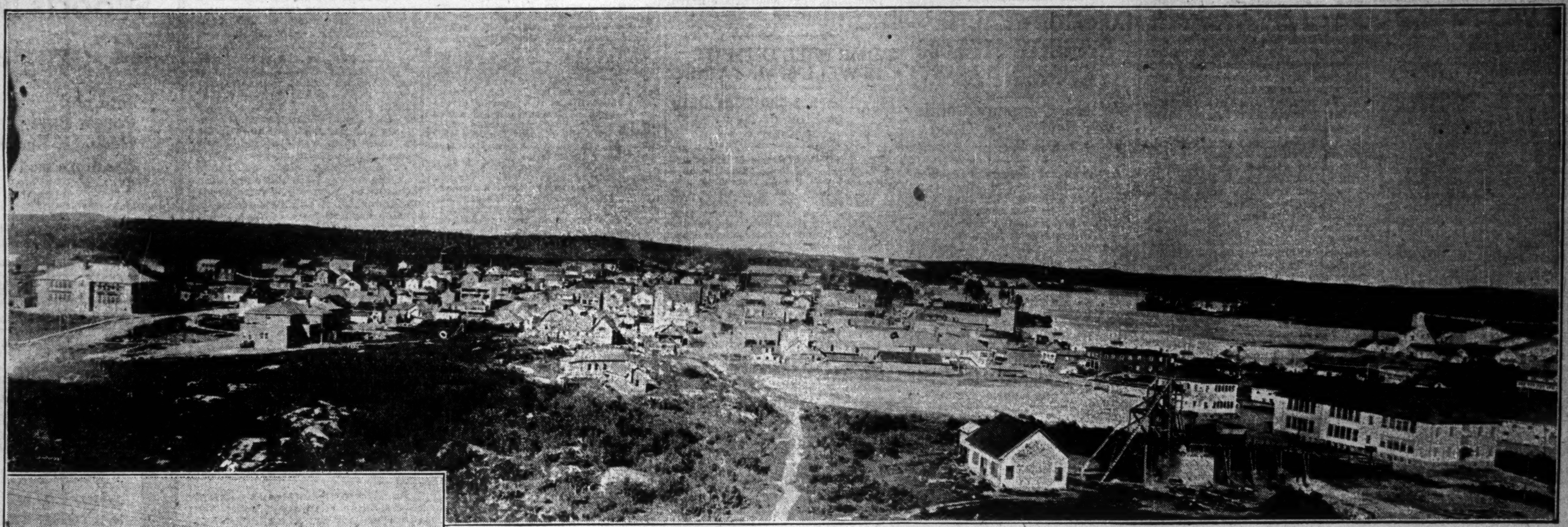
OFFICERS:

Edward L. Koons .... President
William L. Marcy, Vice-president
W. S. Walton........Secretary
Clark L. Ingham.....Treasurer
Alfred H. Sharpe......Director
Harry Yates ....Director
Welles V. Moot..Man.-Director
C. E. Rodgers.General Manager

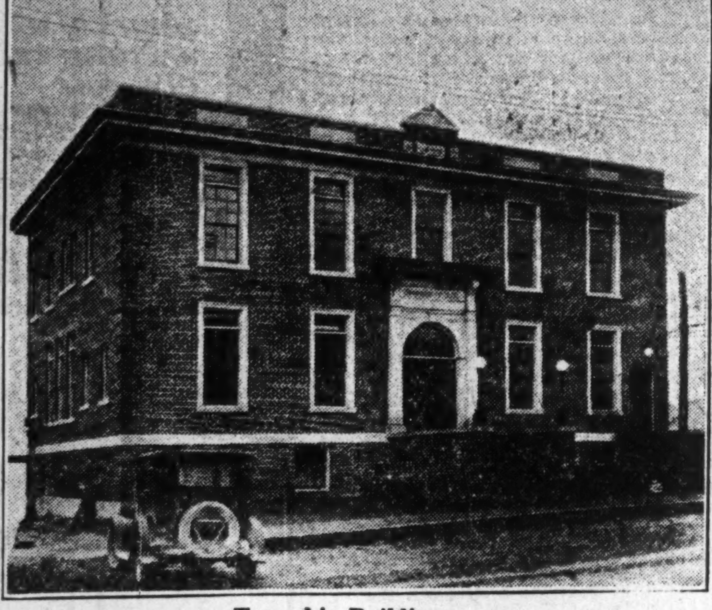
Authorized Capital: $3,300,000

Head Office
Kirkland Lake, Ontario

Buffalo Office
300 Erie County Bank Building
Buffalo, N.Y.



General air view of Kirkland Lake



Township Building

KIRKLAND LAKE
TECK TOWNSHIP

The New Distributing Hub of the North Country

KIRKLAND LAKE, located on the Ferguson Highway midway between North Bay and Cochrane, is in the heart of Canada's richest gold mining area.

With a present population of nearly 8,000, and surrounded by such leading gold mines as Lake Shore, Teck-Hughes, Kirkland Lake, Sylvanite and Wright-Hargreaves, producing steadily and increasing their output constantly, the future of the community and the whole area, is securely founded.

But Kirkland Lake is not just a mining camp. It is also an important and strategic distributing point for supplies both for these active mines, and for the men engaged in mining in that entire section. It is a centre of much activity.

The town has attained a position of recognized importance in Northern Ontario in its own right, due largely to its key location on what will eventually be a trans-Canada highway and its short distance from the Rouyn mining area in Quebec, where Noranda is located. With the opening of the Rouyn district and the extension of a spur from the main line of the T. & N. O. Railway east from Swastika through Kirkland Lake to Noranda, the town took on added importance as a distributing centre. Kirkland Lake, as a mining centre, has become a focal point for miners, prospectors, and engineers; and an outfitting centre from which men go to seek new mineral wealth.

Offering excellent hotel accommodation, Kirkland Lake also possesses decided attractions for the hunter and fisherman. The adjacent country dotted with lakes, is the natural and untroubled haunt of plenty of fish and big game in season. The town has never made any special advertising appeal for tourist traffic, so the attractions of the district are not widely known. To many this is an important advantage in itself.

There is an opportunity for financiers and business men to combine pleasure and profit by visiting Kirkland Lake, to enjoy the sport and at the same time to become conversant with the wealth and opportunities that this community and the area surrounding it in the New North, have to offer.

Obtain particulars about Kirkland Lake and plan to visit there this coming summer.

Interesting Facts About Kirkland Lake

PRODUCTION OF GOLD
The Kirkland Lake area (Teck Township) is the largest producer of gold on the American continent, and is becoming more important as the gold outputs from its rich mines are increasing.

POPULATION GROWTH
Population of Kirkland Lake in 1923 was 1,526; in 1930 is 7,520, five times greater. Few communities have grown as rapidly or on such a sound foundation.

FUNDED DEBT
The township now has a total debenture debt of $996,000, secured by literally hundreds of millions of dollars of gold ore blocked out and proven, yet to be mined.

MUNICIPAL IMPROVEMENTS
Streets are paved and lighted; a modern sewage system; a well-equipped fire department and a model municipal building, are improvements that have been constructed in Kirkland Lake recently.

ASSESSMENT
Net assessment of the township totals $3,571,125 on which the tax rate in 1930 was 51.4 mills.

RAILWAY SERVICE
On a spur four miles east of Swastika, connecting with the main line of the T. and N. O. Railway, excellent daily passenger and freight service is given both to and from Kirkland Lake.

MOTOR COMMUNICATION
Located on the Ferguson Highway, Kirkland Lake is on the main line of travel for all going north from either Toronto or North Bay, and is bound to develop as the North grows.

For Further Information, write to J. W. McBAIN, Township Offices

KIRKLAND LAKE, ONTARIO

WAINWRIGHT AREA TO GET STIMULUS BY NEW REFINERY

Nine Wells Capable of Giving Modest Production

ONALTO HAS SCHEME

Rejuvenating of Wells By Gas to Be Tested; California Men Evince Interest

New interest in th- Wainwright field of Alberta is being stimulated by the entry of a group from Los Angeles into the area, who are to build a new oil refinery.

The new refinery will be known as the Stilson Products Co. and already it is making contracts with potential crude oil producers in the district at prices that are considered to permit of commercial production being maintained.

Wainwright, the centre of the field, already has two small refineries, but neither use the cracking process and are not operating. It is claimed that production from the field has been curtailed owing to the refining methods and the non-assurance that production would be purchased at equitable prices.

Contract Offered

The new firm is experienced in treating the lower gravity oils and has offered a firm contract to purchase all production at $1.50 per barrel, for crude testing from 14 to 18 gravity; $1.55 per barrel for crude testing from 18 to 20 gravity and $1.60 per barrel for that testing 20 to 23 gravity.

At the present time there are nine wells in the area that are capable of giving production. Some of these require mechanical equipment before production could be taken. The total production from these wells would average approximately 450 barrels daily, the larger ones giving around 80 to 90 barrels daily. Included in the list of the potential producers is: Beaumont No. 1; Bethwain No. 2; British Petroleum No. 4; British Wainwright No. 1; Edalta; Edmonton Wainwright No. 1; Hargal No. 3B; Onalta No. 1; and Wainwell Petroleum No. 1.

Daugherty Has Plans

John L. Daugherty, vice-president of the Onalto Oils Ltd., an aggressive and experienced exponent of the field, is making an effort to bring the field to a commercial producing basis and is now on his way to England to obtain additional financing further to develop his company's holdings. Mr. Daugherty has a plan to drill additional wells in a circle about a central well. The central well would have the gas encountered in the upper horizons conducted to the lower or oil producing horizons, which when the well is capped would have the effect of storing and agitating the oil producing sands and stimulating the oil flow of the wells situated at equal points from this central well.

To the present time Onalto has drilled but one well, this to a depth of 2,221 ft. where a flow of crude oil estimated at 80 barrels daily testing 22.6 gravity at 72° F., was encountered. The gas in this well having a rock pressure has been protected and made available at a depth of 2,058 ft.

The company owns approximately 20,000 acres in the Wainwright district and has its own complete drilling equipment. It is capitalized at 1,000,000 shares of no par value of which approximately 480,000 are outstanding.

Plans are under way for further financing by issuing a limited amount of treasury stock to an English group, that development may be resumed, with a key gas well.

A plan is also under consideration to take part of the company's holdings and turn them in to a new company, receiving stock in return.

It is understood that the financial liabilities of the company are negligible.

LEROY MINES IS DEVELOPING QUEBEC FIND

Winter Road is Now Being Cleared to Mine

Le Roy Mines in Louvicourt Township, Northwestern Quebec, is being developed.

The discovery was made late in the fall and consists of a quartz vein traced for 425 feet in length with indicated widths of 3 to 14 feet. Samples of this quartz assayed from $21.80 to $124.20 in gold to the ton.

North of Louvicourt is Pascalis, scene of the recent gold strike by men from Prospectors Airways organization whose staking runs into Louvicourt, where Le Roy Co. has 20 claims, 800 acres in a group.

A crew has been engaged to strip the vein, camps are being built and roads prepared. Access by water is from Amos on the way past Siscoe mine. The winter route is from Barraute on the C.N.R. and in this connection Le Roy Mines will shortly start about 20 men at work clearing the way to their property. There already exists a road for part of the way and it is expected to carry it right to the scene of the strike with the co-operation of the Quebec Government, which has authorized an expenditure of $1,500 toward the cost of this road. This will benefit not only the Le Roy group but the holdings of Mining Corp., Prospectors Airways, Springer and Connell and others.

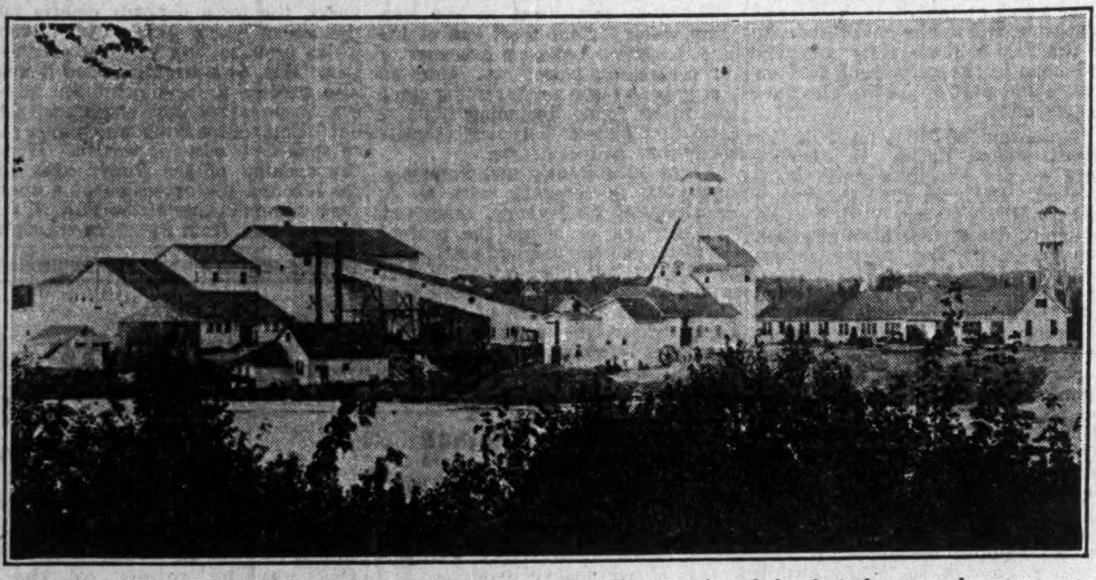
Shaft sinking will be commenced upon completion of the road.

N'Changa Copper Reports Results of Diamond Drill

Revised preliminary results from the diamond drill hole B. 23 of the N'Changa Copper Mines have been received by cable from Rhodesia, and are as follows:

	Core Recov. %	Tot. Copper %	Sulph. Copper %
2093 tto 2145 ft.	..	Below 1.0	..
2145 to 2150 ft.	19	2.4	1.8
2150 to 2160 ft.	19	1.8	1.3
2160 to 2165 ft.	67	4.7	3.4
2165 to 2170 ft.	27	5.2	0.4
2170 to 2175 ft.	16	36.9	18.4
2175 to 2180 ft.	44	7.8	5.8
2180 to 2185 ft.	62	4.6	4.3
2185 to 2190 ft.	48	3.2	2.6
2190 to 2195 ft.	10	8.5	7.9
2195 tto 2200 ft.	43	5.5	3.8
2200 to 2225 ft.	..	Below 1.0	..

Here is View of Wright-Hargreaves



Wright-Hargreaves output is steadily being increased. This is a view of the plant above ground.

Canadian Mining News

BIG MISSOURI CONTINUES WORK WITH MONARCH

Railroad to Be Built Next Summer; Ore Shipments Follow

Owing to a large number of requests from shareholders of Big Missouri Mining Co. for information as to the present status of development of the company's operations, a report has been issued outlining the work recently done on the property, with particular attention given to the Missouri Monarch Consolidated Mines Co., a subsidiary of Big Missouri.

The two chief properties of the Missouri Monarch Consolidated Mines consist of the Monarch Mine and the Black Forest Mine, and the principal development carried on at these properties is the driving of a tunnel 6,000 feet long to connect the workings at these two properties. The tunnel will intersect seven known veins and will give a maximum depth of 1,000 feet below the outcroppings. Already four north-south ore-bearing fissures and to east-west fissures have been encountered in the tunnel workings.

Do Not Block Out Ore

Ore shipments in the past have been made from both these properties, with recoveries which give promise of future profitable operations. At present no ore is being shipped from the property, as it is the policy of the company at present to develop the property by drifts, crosscuts and raises rather than either to mine or block out the ore. The blocking out of ore in a limestone formation is considered an expensive proposition.

It is probable that no ore will be shipped until a railroad is constructed to connect the properties with the Western Pacific Railroad. It is expected that this road will be built during the summer of 1931, and the cost will be borne partly by the railroad company and the Nevada Lead & Zinc Mining Company, whose property adjoins that of the Missouri Monarch. The road will be 16 miles long, and it is not expected to be costly, as the country is comparatively level. In the meantime, development of the properties will continue.

The pilot mill at the Big Missouri Mine is almost completed, and it is anticipated that this will go into operation on or before the first of January, 1931.

The annual meeting of Big Missouri Mining Company will be held January 13, 1931, at Tacoma, Wash.

MERCURY OILS NOW PRODUCER

Mercury Oils No. 1 well in Turner Valley came into production last week with a large flow of naphtha-laden gas. The extent of production cannot be known until production tests have been completed. but initial and unofficial estimates placed the gas flow at 40,000,000 cubic feet daily.

This well, after being drilled to a depth of 4,585 feet, was temporarily abandoned in order to use the drilling rig on one of the wells taken over with the purchase by the company of Sunlight Oils, Ltd., in 1929. Drilling at this well was resumed early this fall.

The results of the production test will probably be known in a few days, when the well has been allowed to blow itself free of limestone particles and the flow is run through a separator to determine the naphtha content.

Keeley Silver Keeps Working Despite Prices

At the annual meeting of Keeley Silver Mines shareholders, held in Toronto, December 9, it was announced that despite the low silver prices, production was keeping up and the mill can operate for a few months, although there has been nothing outstanding in the way of new finds.

W. J. Dobbins, manager of the mine, said there was hope of finding more ore, particularly on the lower contact, where work is now being done. A. Dorfman, managing director of the company said there was about three months ore reserves ahead of the mill two years ago but operations have continued since; and that good mines "die hard."

In response to a question of a shareholder as to what would happen to the company if operations were forced to suspend, R. Home Smith, president of the company, said that if such a condition should arise the shareholders would be consulted.

There has been no loss on operations owing to the low price of silver and the company's cash position has been maintained. Current assets at the end of the fiscal year February 28, were $726,662.

The existing officers and directors were re-elected for the ensuing year.

COMMONWEALTH REPORTS $179,000 CURRENT ASSETS

Western Company Continues Search for Good Oil Wells

At the annual meeting of Commonwealth Petroleum Ltd., the report submitted to shareholders showed the company to be in a strong financial position and reflected the development programme undertaken.

Current assets as at August 31, 1930, were $184,594, of which $163,508 was in government and municipal bonds, as against current liabilities of $5,504. Leases carried at cost were $279,603, investment in Regal Petroleum Co. was valued at $20,000, office furniture given as $735, and development and stock sales expense and other deferred assets carried at $611,062.

The paid-up capital was $1,090,116, after deducting unpaid amounts of $10,466, and premium received on sale of shares amounted to $375.

The entire board of officers and directors was re-elected for the ensuing year.

After drilling the Turner Valley well to a depth of 4,421 feet, it was found that the hole was very crooked, being several hundred feet off perpendicular at the bottom.

The well was shot with nitroglycerine, but the results were not satisfactory. East Crest Oil and Miracle success induced the company to make a contract with drillers.

Milk River well on December 8 was 4,625 feet.

Red Coulee field is the site of the company's only failure to date. This property was leased from Alberta Pacific Consolidated Oils.

Toward the end of November, the company spudded in its first well in the Ribstone-Blackfoot field, on acreage recently acquired.

Using a portable drilling machine, the company is putting down shallow test holes in the Manitou field in Manitoba on a block of 12,000 acres.

ABANA HOLDERS ASKED TO FORM WATCHING CLUB

Proponents Think Permanent Protective Committee Desirable

Shareholders of Abana Mines are in receipt of a letter from the Abana Shareholders' Protective Committee requesting the payment of $1 from each shareholder in order to finance the operation of the committee.

It is pointed out that in the past, a shareholders' protective committee has had to be organized on three different occasions but after functioning it was disbanded on each occasion. It is now thought that if the committee had been continued shareholders would have benefitted from it.

The committee now proposes to function continuously and the assessment of $1 from each shareholder is to defray the cost of printing, postage, translations and stenographic fees, etc. The committee will consist of about 30 members, none of whom will receive any salary. It is further stated that no further assessments will be solicited from shareholders until a complete detailed financial statement of the first assessment is presented to each subscribing shareholder for consideration.

In closing, shareholders are urged to register shares in their own names.

DOME MILL OUTPUT IS WELL MAINTAINED

May Reach 1,500 Tons Daily at First of New Year

The new mill of Dome Mines is unofficially reported to be operating on a basis that will permit increasing production to 1,500 tons daily at the first of the year. The mill passed the tuning-up stage without serious mishap and minor mechanical adjustments that were found necessary have been completed. During the test run it is stated that the rated capacity of 1,500 tons per day was reached but output was later reduced to around 1,000 tons daily.

During the period of construction of the new mill, particular attention was given to mine development and known ore reserves were recently stated as being sufficient to maintain the present mill at capacity for at least five years. Ore at present broken down and stored in the stopes and elsewhere is sufficient to keep the mill going for several months and this supply is being used at present.

The management is proceeding with the opening up of new ore bodies and is exploring extensions to present known systems. New ore bodies are also being sought. With a steady production now attained and prospects of capacity production in the near future, Dome will again take its place among the leading gold producers of Ontario.

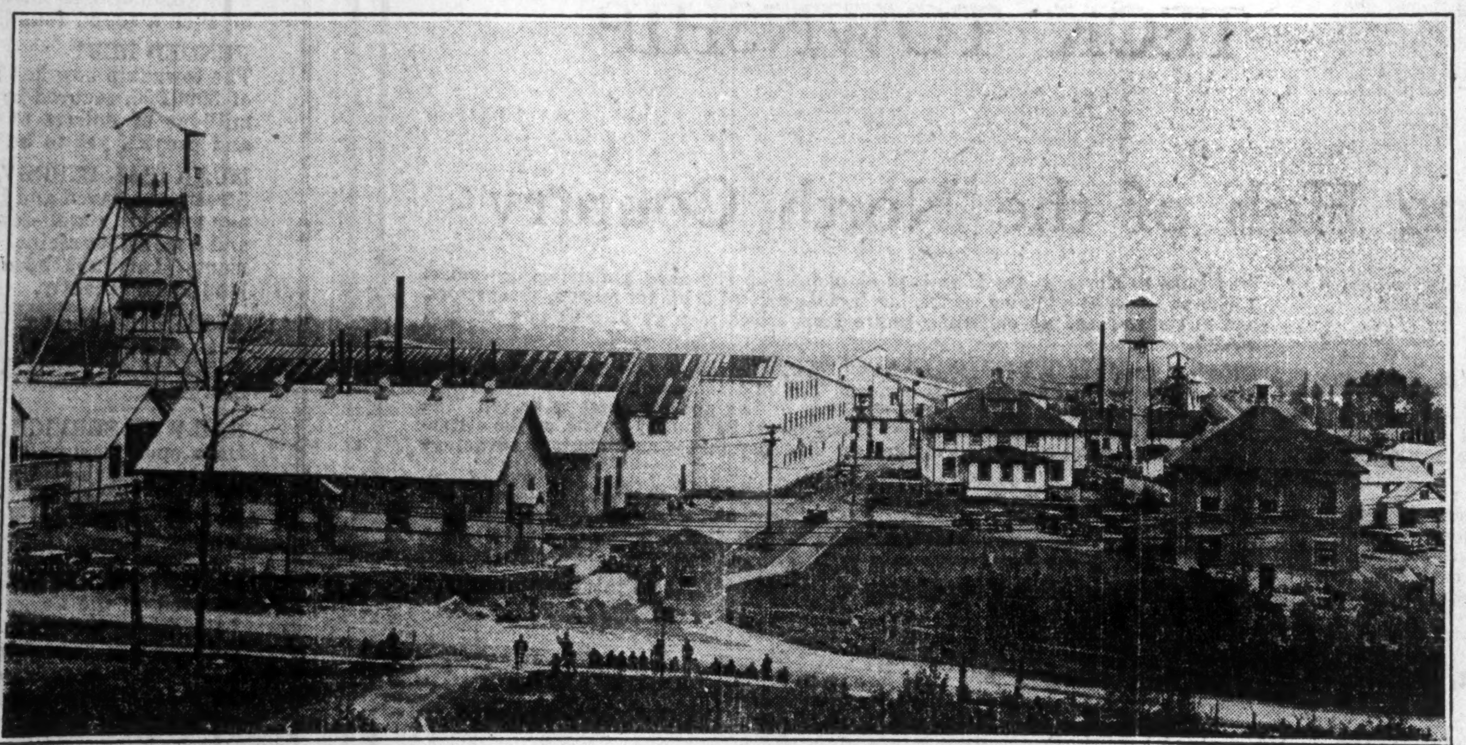
Pandora Gold Gets Development Money

NEW LISKEARD — Arrangements through which Pandora Gold receives upwards of $300,000 for the development of its mine have been completed. C. B. Stevenson, president, recently completed the negotiations and the company is now in position to proceed with underground development.

Diamond drilling on the property has indicated tonnage of high-grade ore.

Annual meeting to be held at New Liskeard, December 31.

Teck-Hughes Plant Presents Fine Appearance



This photograph was taken looking toward the front entrance of Teck-Hughes Gold Mines at Kirkland Lake, Ont.

Howe Sound's Dividend Rate Is Maintained

Directors of Howe Sound Co. have declared the regular quarterly dividend of $1 per share payable on January 14 to shareholders of record December 15. The company had 496,038 no par value shares outstanding at the end of 1929 and has been one of the few copper producers to maintain its dividend rate.

A holding company, gold, silver, copper, lead and zinc, with properties in British Columbia and Mexico, its chief subsidiary is Britannia Mining & Smelting Co. This subsidiary owns and operates a copper property and concentrating mill at Britannia Beach, B.C.

CENTRAL PAT. MAY BE MINE SAYS MANAGER

Report is Somewhat Disappointing But Hope Not All Lost

Although results of exploration work at Central Patricia Mines has failed to come up to expectations, Walter E. Segsworth, general manager, states there is still a distinct possibility that sufficient ore will be found to place the mine on a production basis, according to a report received by shareholders on operations of the company up to Sept. 3, 1930, when operations were suspended.

Development work at the property prior to Sept. 3, 1930, indicated that the ore was not as continuous as had been expected, and which had been, in the opinion of the company, confirmed by diamond drilling. Mr. Segsworth states, however, that with the possibility of finding an underground continuation of the "D" ore shoot and the possible location of further ore at various points described in the report, it is his belief that the mine could be operated at a profit.

Says Profit Possible

This would, he said, depend on results obtained from certain metallurgical tests now being made to obtain a method of treatment of the ore which would call for small capital outlay, good recovery and low milling costs per ton.

The report follows:

"The ore developed occurs in a strong east and west shear zone in a narrow band of iron formation included in an area of Keewatin greenstone. Other bands of iron formation and other shear zones occur parallel to and north and south of the fracture which has been partially explored. This series of shear zones dip 75 degrees to the south.

"There is a second series of fractures of lesser magnitude intersecting the east-west system. The second series strikes northwest and dips 60 to 65 degrees northwest and shows underground as a well-defined joining or sheeting in the greenstone.

"The intersection of these two systems of fracture rakes 55 degrees east.

"——instead of the ore being continuous, it occurs in well-defined shoots. These shoots lie at the junction of the two systems of fractures noted above and rake 55 to 60 degres east, in conformity with the rake of the intersections. Where the northwest fractures are missing there is no ore.

"The ore consists principally of iron carbonated gangue with varying amounts of quartz and secondary silica. The principal sulphides are pyrrhotite and arsenopyrite. There is very little free gold and the bulk of the gold is associated with the arsenopyrite.

"Preliminary tests indicated that although the ore is amenable to cyanide treatment the consumption of reagents and the necessity for very fine grinding made it advisable to look for some other method of treatment. Selective flotation tests resulted in selecting the arseno-pyrite from the pyrrhotite and gangue in a concentrate containing more than 90 per cent of the gold, with a very high ratio of concentration."

Ore reserves, computed on the assumption that ore in the shoots is continuous from level to level, are estimated at 45,000 tons, with $600,000.

MAN. & EAST. SEEKS SALVATION IN OILS

Directors of Manitoba & Eastern Mines, Ltd., have made an arrangement for the sale of 500,000 shares of treasury stock at 10 cents per share to a group for the financing of drilling and development work on certain gas and oil rights in the Tioga field in Pennsylvania.

It was decided that with the present general condition of the mining industry and lack of finances for it, it would be impossible to consider further mining development. The company therefore decided to enter into the oil development business and acquired the aforesaid gas and oil rights.

The arrangement entered into for the financing of the oil and gas lands involves the pooling of all the stock formerly outstanding until June 30, 1931, with the directors' option of extending this pool not longer than another 6 months.

GEM LAKE CO. GETTING HELP FROM STATES

The Directors Hope High-Grade, Though Small, Mine Possible

An important development in the Manitoba mining industry is indicated by the current announcement that Minneapolis and Western States interests have joined with Winnipeg financial men in a plan to finance the development of Gem Lake Mines along the lines recommended by the company's engineers.

During the past two years the company's property has been actively developed by about 9,000 feet of underground work on four different levels, with encouraging results. It has been seen, however, that before the property can ever be developed to the producing stage, additional money must be obtained in order to carry out the development work involved.

Now Down 225 Feet

Plans are now being made for an extensive increase in the development programme, details of which are to be announced later.

The company, incorporated in 1928, owns a gold prospect in the Slate Lake section of the Central Manitoba gold area and 13 claims in the same area across the boundary in Ontario in the Red Lake Mining Division. The company also owns an interest in the Peterson group of claims at Elbow Lake, in northwest Manitoba.

The company's main development has been carried on at the west end of Kickley Lake on the Manitoba side of the Manitoba-Ontario boundary. A three-compartment shaft has been sunk 525 feet with levels established at 125, 250, 375 and 500 foot depths, to explore what is known as the No. 1 and No. 2 vein systems. Recent development work has resulted in the opening-up of three new ore shoots, one on the No. 2 vein on the 375 foot level west, one on the No. 2 vein on the 500-foot level west and an entirely new vein known as the shaft vein on the 500-foot level, 124 feet west of the shaft.

On the 375-foot level No. 2 vein shows ore 4.4 feet in width with an average grade of $8.20 in gold. This is the downward extension of an ore shoot developed on the 250-foot level which assays $44 in gold over a width of 3.5 feet for a length of 146 feet.

No. 2 vein on the 500-foot level has only been exposed by a slash. The width of the vein is not yet determined, but a short distance exposed gave an average assay of $19.20. On the shaft vein at the 500-foot level milling ore has been opened up for a length of 112 feet with an average width of 3.6 feet and average values of $16 per ton.

Costs Somewhat High

At present the company's mining equipment is steam operated capable of working to a depth of 1,000 feet. It is possible that under the enlarged development schedule the company may negotiate for the purchase of electric energy from a power line running from Great Falls within twenty miles of the property. At present shaft-sinking costs are $74 per foot and drifting and crosscutting $13 per foot, but it is likely that these costs would be materially reduced by the use of electric energy.

W. S. Kickley, president, states it is the hope of the directors that, through the financing arrangements consummated, it will be possible to develop a small mine of high grade ore with possibilities of extension to a mine of large proportions.

COBALT CONTACT SUSPENDS EFFORT AS SILVER DROPS

Moreover, Grades Lower as Development Work Progressed

In a letter to shareholders of Cobalt Mines, president J. M. Aitken makes an official announcement of the suspension of operations of the company at its North Cobalt property.

Mr. Aitken states that in addition to the slump in prices of silver, the grade of both the silver and cobalt ore became lower as development proceeded, so that the company was operating at a loss instead of at a profit, as previously.

The company expects that further work on the property will reveal more high grade ore, but until silver prices increase the company has deferred operations at this property and is concentrating on the Goudreau property, where operations to date are reported to be satisfactory to the extent that diamond drilling is contemplated with a view to carrying on enlarged operations during the coming spring.

PEND OREILLE MINES RESUMES OPERATIONS

Pend Oreille Mines & Metals Co., owning a lead-zinc property on the Pend d'Oreille River in the State of Washington, just south of the international border, has announced its intention to resume milling operations.

The predecessor company, the Pend Oreille Lead & Zinc Co., completed the construction of a 200-ton daily capacity flotation concentrator in 1927, which was continued in operation for about two years. Upon the reorganization of the company in April, 1929, it was announced that a construction plan had been completed which would include as an initial unit a concentrator of 2,000 tons daily capacity and a 100-ton daily capacity zinc refining plant utilizing the Tainton process. The construction of this latter plant, however, was not proceeded with and production operations have been at a standstill.

An official communication from Lews P. Larsen, president of the company, says that while the company's own mill has been started, the leasing of the adjacent Grandview mill has been deferred for the present. The company at the present time is producing approximately 30 tons of concentrates per day which will be increased to 50 tons when full capacity is reached.

Metal Prices

New York, Dec. 16
Copper: Electrolytic spot. 10½c lb.
London, Dec. 16
(Long Tons)
Copper: Electrolytic spot, £47; future £50; standard spot, £44 5s.; future £44 2s. 6d.
Tin: Spot £105 15s.; future £106 17s. 6d.
Lead: Spot £14 17s. 6d.; future £14 17s. 6d.
Zinc: Spot £13 5s.; future £13 15s.
Silver: 14½d. per ounce.

Tough-Oakes to Get New Lease of Life

Examination by Bunker Hill Extension Regarded Promising—Property Was First in Kirkland Camp to Reach Production

Tough-Oakes-Burnside Gold Mines is in liquidation, owing to default of payment of interest on bonds. At the present time it is under option to Bunker Hill Extension Mines, who are doing sampling and development work, preparatory to negotiations with the bond holders for the property.

The company's property was the first in the Kirkland Lake camp to reach production and was also the first mine to pay a dividend. The claims were staked in 1912 and passed from their original owners, Tough brothers, and Harry Oakes, into English hands. A mill was completed and started in 1915 and a dividend of $132,875 was paid that year, and the following year a final dividend of $265,750 was paid. Subsequently, the company met with indifferent success and the mill was closed down for several years. In 1923 reorganization took place and the Burnside claims were incorporated with the original group, but after further attempts to operate the property at a profit, operations were suspended in 1928.

Down 1,575 Feet

The company owns approximately 343 acres, 10 claims, part in Teck township and part in the adjoining Lebel township. The deepest level to which property has been developed is the 1,575 foot horizon, through the Burnside shaft. Although the surface showings on the property were more spectacular than the other mines in the camp, development work has not indicated that concentration or large ore bodies exist, as in other mines of the camp.

The current development by Bunker Hill Extension is reported to be favorable and indicates that under capable direction the property has possibilities, and that if a satisfactory agreement is reached with the bond holders, operations will be resumed.

Mercury May Buy Mill City Pete

Probability of a merging of the assets of Mill City Petroleum with Mercury Oils is indicated by the calling of a meeting of Mill City shareholders to be held December 19, in Calgary, to authorize the sale of the assets of the company to A. H. Mayland, president of Mercury Oils, in consideration of 980,835 shares of the latter company.

It is reported that the shares offered in exchange for the Mill City company are not treasury stock, but stock owned by A. H. Mayland and other large shareholders of the Mercury company, and it is assumed that those into whose hands the Mill City company passes will negotiate with the Mercury company for inclusion in it of the Mill City assets.

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COMPULSORY POOL SHARPLY CHECKED IN NEW SALE PLAN

Those Who Would Close All Private Channels Bewildered

From Our Own Correspondent

WINNIPEG. — Comment on the announcement that J. L. McFarland, new general manager of the Central Selling Agency of the Wheat Pool, is withdrawing the direct representatives of the Pool in Europe has been decidedly mixed from Pool sources, and sources allied to the Pool.

The Manitoba Pool, in a radio broadcast, accept the change as a considerable one, saying:

"Mr. McFarland stated the move should prove the truth or otherwise of the claim our overseas branches have engendered hostility—that is to say the claim is still considered an open one, still to be proved. It must be regarded largely in the nature of an experiment to establish actual facts. It has not been stated the Pool is tied down for all time to this new policy which as a matter of fact was the policy and the method practiced by the Pool for the first three years of its operations. If Europe's attitude remains unchanged however, and the sale of Canadian wheat does not experience a revival, there will be equally fair presumption our foreign branches have not been responsible for the retarded export of Canadian grain. After the policy has had a fair trial the time will be ripe for full consideration of the wisdom of continuing it. There come times when organizations, like individuals, are compelled to make a choice between a course they would like to follow and the course they must follow for their own good."

Sees No Big Change

On the other hand the manager of the Saskatchewan Pool, R. J. Moffat, sees no important change, stating that the Pool has always used every available channel through which to sell its wheat on the markets of the world, including established grain trade channels and merchants and brokers in other countries. Mr. Moffat quotes Mr. McFarland's statements as to willingness to use every established facility to sell our wheat at a fair price as compared with that of other producing countries and to transact business with whomsoever and wherever we can secure the best price and thus remove all prejudice, but prefaces it by saying "as Mr. McFarland again points out," by way of insisting that no important change has taken place.

George F. Stirling, former publicity of the United Farmers of Canada, a position recently closed when that organization ran out of funds, declared that Pool farmers had been sold out. John Evans, former M.P. for Rosetown, was bitter on the subect, declaring his opinion that Mr. McFarland's appointment seemed to mean that farmers were to be released from their contracts. He appears to lay blame upon the pool management for a course of events that led to placing an orthodox grain man in charge of pool affairs.

One of the principal effects of the announcement, so far as country opinion is concerned, has been a check, whether temporary or permanent remains to be seen, upon propaganda for enforcing compulsory pooling of all grain by legislation. The idea behind such propaganda has been to close up all other channels of trading in favor of "direct selling." An admission on the part of the pool organization that such selling has not been a success leaves the advocates of compulsion somewhat bewildered as to their next step.

Impressive Co-operative Effort By Canadian Business Leaders

From "Canadian Advertising Data," Toronto

In connection with its issue of Nov. 20, The Financial Post produced a 76 page feature section emphasizing Canada's certain future. This addition to the regular section of 16 pages made a paper of 92 pages in all. The issue was the largest one published by The Post to date.

The fact that such history was made by a publication, which reflects the sound business interests of Canadian industry, would seem to indicate, in an unmistakable manner, the confidence which the business community of this country has in Canada's present state, and future prospect.

The Post's method of editorial treatment of the subject of the special issue, "Canada's Certain Future," was unique and highly effective—instance after instance being quoted to prove that the men with the most at stake and with the biggest background of experience are not hesitating at the present time, but are going ahead with extension programmes in complete confidence that Canada's development will continue and become greater year by year. To make this point vivid, page after page of illustrations were used showing extensions now under way by all kinds of companies in all parts of Canada.

Establishing the point that the future is certain, the natural conclusion is that the securities of conservatively financed and well managed companies are worth serious consideration by investors at the present time, since they offer chances for large appreciation.

There followed a review of all the companies listed on the Montreal and Toronto stock exchanges and on the Montreal curb market.

The advertising in this issue of The Financial Post is most impressive including large messages from a very great number of the leading Canadian companies. From the advertising revenue and lineage standpoint this was the biggest single issue The Financial Post has ever produced. This feature issue was indeed practically a co-operative movement on the part of the leaders in Canada using The Financial Post to bring home to Canadians the existent reasons for confidence.

Over 35,000 copies of this issue were printed and the value of the issue will be further extended through the reproduction of some of the picture pages in leading dailies which are securing the mats from The Financial Post.

Maple Leaf Milling Co. Earnings Are Improving

Since Reorganization Lower Wheat Prices and Easier Ocean Freight Rates Give Flour Companies an Advantage Long Lacking

Maple Leaf Milling Co., earnings since the ending of the fiscal year on July 31, 1930, have been exceptionally good. If the improvement continues on the present scale, holders of preferred shares may find themselves in receipt of dividends much sooner than was expected. Some observers in close touch with the situation state that there is a prospect that the company may once again be placed in a sound position in the course of two or three years on the basis of results which are now being attained.

The company lost about $5,000,000 as a result of unauthorized speculation, and on the basis of earnings in the last decade it was hard to see how a situation could be restored which would permit dividends inside of two or three years and there was a strong possibility that it might take four or five years. The restoration of free market conditions in Canadian wheat has provided a solid basis for improvement in flour milling companies. Canadian flour has a definite place in the world market now that wheat is obtainable on the basis of world prices by Canadian flour milling companies.

As a result they are now able to sell flour for export on the basis of the world's wheat price. This has given them a definite advantage over United States millers and the quality of the flour of this and other Canadian companies has in itself enabled them to extend business materially. Milling enterprises soundly conducted have now a better opportunity in Canada than they have had for many years.

Get Better Ocean Rates

The situation is made more promising for the Maple Leaf Milling Co., as for other flour milling companies in Canada that have been accustomed to do an export business, by the fact that arrangements have just been made for lower freight rates from Atlantic ports to Europe than have been experienced for a long time. Flour millers of Canada have always argued that the ocean rate on flour should bear a direct relation to the rates which were available for wheat. Otherwise, Canadian flour could not get into foreign markets on a basis which gave them a fair chance to compete with flour made in these foreign countries from Canadian wheat.

Canadian milling companies recently have been taking space in non-conference boats at a considerable discount from rates ruling with conference boats, that is, boats belonging to companies which have agreed in conference as to Atlantic rates they charge often referred to as the Atlantic Conference. This has resulted in a favorable revision of rates, though millers still claim that the rates are too high and that there should be a fixed differential with wheat. It has helped, however, to aid in a revival of exports.

Way Out of Wheat Impassé

By W. L. MacTAVISH, in Winnipeg Tribune

We must work to re-establish the preference given Canadian wheat on the world markets. Various steps in that connection are still necessary in regard to the Wheat Pools—and the less talk we have in Canada about controlling or pegging prices the better for our future.

We must use the tariff to the greatest possible extent in building up markets for our wheat. There is every reason to believe Mr. Bennett is fully seized of the importance of this and is prepared to go to great lengths to obtain a favored place in worthwhile markets in Britain, France and elsewhere.

We must strive to build new markets, a work Hon. H. Stevens has already under way and which must be prosecuted with all vigor.

We must refrain from interfering unduly with the speculative market, which is essential to the orderly marketing of wheat. Moreover, the less talk there is of such interference—it is a favorite topic for the farmers' conventions just now—the better for the industry of agriculture.

We must—and this is supremely important—render it as easy as possible for every farmer who wants and is able to change from wheat farming to mixed farming to do so. This means redoubling the facilities for purchasing and marketing livestock of all descriptions, and all other farm products. The Canadian market for farm products is now protected and available to Canadian farmers. Export markets can be opened up for many products, and particularly bacon, when steady supplies are available. Farming in Western Canada will be stabilized and benefitted to a tremendous extent if it can be equipped to supply the home market for farm products other than wheat. The experience of Manitoba goes to demonstrate this. Manitoba is leading the way in mixed farming, mainly because of crop failures that compelled the farmers to seek other sources of revenue than wheat, and Manitoba agriculture is far more prosperous as a result.

We must concentrate efforts on producing, transporting and marketing wheat as cheaply as possible, in order to compete with other exporting countries.

We must, as an emergency measure, provide relief for farmers in distress in the same spirit as we have provided for unemployment in the cities. If the measures already taken to this end—it is to be noted that the relief measures passed at Ottawa is as much for farmers as any other class of the community—are inadequate, they must be reinforced to whatever extent is required.

To these measures our efforts can be directed. In the long run, to the extent that they turn wheat acreage to mixed farming, and to the extent that they rebuild the markets for Canadian wheat, they will be of permanent benefit.

Algoma Central Bondholders to Meet to Change Trustee

From Our Own Correspondent

MONTREAL. — Bondholders of Algoma Central & Hudson Bay Railway Co., and Algoma Central Terminals Ltd. will meet in London, Eng., on January 9 next to approve a resolution appointing Royal Trust Co., of Montreal, trustee under the different trust deeds. United States Mortgage and Trust Co., of New York, present trustee has resigned.

This step is taken to be a forerunner of completing arrangements under the new agreement, whereby Lake Superior Corp. is relieved of its guarantee in respect to the bonds of Algoma Central and Hudson Bay Railway and Algoma Central Terminals. No details of the new agreement have been made public.

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WOULD EXTEND CREDIT IN WEST TO BUY CATTLE

E. W. Beatty Advocates Raising $5,000,000 for Purpose

Farmers in the northwestern part of the United States have benefitted materially since 1924 through the extension of credit for the purchase of livestock by a privately financed corporation similar to that suggested for Canada by E. W. Beatty, C. P. R. president, in a recent address. In many respects the conditions now existing in the prairie provinces are parallel to the conditions then existing in North and South Dakota and in Montana.

An intimate view of the operation of extending credit to the farmers in the above states was presented by C. T. Jaffray, president of the Minneapolis, St. Paul & Sault Ste. Marie Railway, before the annual meeting of the Dominion Mortgage & Investments' Association in 1928. Mr. Jaffray, as one of the organizers of the scheme as well as the first chairman of the board, had first hand knowledge of the functioning of the plan and also its beneficial results.

Credits Were Frozen

In 1923, there were a large number of bank failures in the northwestern states. Poor crops had caused the farmers severe losses and credits were frozen. Farmers, who had saved some money lost it in bank failures. It is estimated that the farming population lost some $300,000,000 through bank failures at that time.

It will be understood that mortgage loans to farmers were one of the functions of many of the banks that failed. They served a purpose much like that of the Canadian loan company. Farmers were unable to secure credit through their banks and Federal relief was not extended. Under these circumstances the business of the northwestern states was at a standstill and the remedy was secured through private corporations in the east who subscribed $15,000,000 in 1924 for the sole purpose of supplying credit to aid agriculture.

In the first 90 days, $6,000,000 was loaned to 400 banks in the four northwestern states to place them in a sound position. Loans, not exceeding $1,000, were then made to farmers to be invested in good dairy cattle and good sheep. A livestock committee was formed which selected and bought first class grades of cattle and sheep which were sold to the farmers who obtained loans on a three-year plan with a margin of 10 per cent.

Plan Was Success

During the first year, Mr. Jaffray stated that the success of the plan was so great that the demand for loans to be invested in cattle was increased. Loans to the banks were discontinued since a good crop in 1924 had restored their position to a sound basis. By 1925, many of the farmers who had secured cattle and sheep had paid the corporation in full out of receipts from sales of wool, cream and calves. These farmers still had their foundation herds intact.

The plan resulted, according to Mr. Jaffray, in re-establishing many farmers in business who otherwise would have felt the effect of the 1923 and 1924 conditions for many years. Re-payments to the corporation were good and there were practically no losses. Since cows and sheep cannot be raised without alfalfa or corn there was a strong tendency toward greater diversity in farming with a more stable income resulting.

Mr. Jaffray, stressed at that time, the desirability of the western farmer, in Canada, having something which, in time of stress, drought or frost, would bring an income which would aid in the payment of bills. At that time the Canadian west had had a series of good crop years. Conditions in the West now approach those which existed in the northwestern states in 1923 and Mr. Beatty has drawn attention to the plan which was effective in remedying conditions at that time. Mr. Beatty's recommendations were as follows:

"I would suggest, too, that as a further aid to the restoration of confidence, and as an evidence of complete faith by important business interests, in the future, of agriculture in the west, an agriculture credit corporation should be formed to provide livestock for farmers who wish to diversify their operations. The company should be a private corporation, organized in somewhat the same form as that organized in the United States, with the support of the banks, mortgage trust and loan companies, insurance companies and the railways, and, if thought, advisable, perhaps, of the federal Government itself. The moneys would be repayable on easy terms, the risk would be small, and the administration costs would be reduced to a minimum through the voluntary nature of the undertaking.

Capital $5,000,000

"I would suggest that $5,000,000 be raised in this manner and that the project should be specially valuable, since many western farmers would find their domestic economic problems greatly simplified by the addition of livestock to their farms, and since every head of livestock placed on a western farm aids in the marketing of surplus grain.

"The whole project should be directed, not only by warm sympathy for a community of courageous pioneers threatened with distress and by a desire to provide just assistance to a section of the Dominion which does not benefit as much and as directly as do some others from various policies of the state, but by intelligent selfishness and full appreciation of the fact that the prosperity of east and west, of farmer and city, are wholly and inextricably linked together. I believe that the country as a whole is prepared to come to the assistance of a great section suffering from a temporary but severe depression from causes beyond its control, not only because it is just to do so, but as a wise measure of national policy."

International Paints Share Earnings $1.87

From Our Own Correspondent

MONTREAL. — Earnings of International Paints, Canada, in the fiscal year ended September 30 were equal to $1.87 a share on the class "A" and "B" shares outstanding. This figure, however, includes deduction of an amount equal to 10 per cent of net earnings after depreciation, which has been set aside as a general reserve. Before provision for general reserve, earnings were equal to $2.37 a share on the common shares.

Balance sheet position was well maintained. Working capital was higher at $369,021 as compared with $333,867. The company showed $102,782 as holdings in Dominion of Canada bonds, an item which had not made its appearance before.

Accounts payable at $33,246 were sharply lower as compared with $76,044 in the previous year and an increase in fixed assets which now are valued at $690,106, less depreciation, reflected additions to the company's Basin street factory.

Geoffrion & Co. Establishes Head Office in Own Building

From Our Own Correspondent

MONTREAL.—Geoffrion & Co., members of the Montreal Stock Exchange and Curb Market, have established head office in its own building on Notre Dame St. West, close to the corner of St. Francis Xavier St.

The brokerage offices are beautifully finished and modern in every respect. Woodwork and metal finishings are in the modernistic style and the lighting effects are of the latest and most approved scientific nature. The customers' board room occupies the rear of the building, while the private offices of members of the firm and provision of space for the accounting staff are in the front. The woodwork throughout is a blending of French and American mahogany with ebony trimmings.

The most-up-to-date facilities for the provision of quick service have been furnished for the staff, particularly that section which is in constant touch with the firm's clients desiring accurate and quick reports by telephone.

Montreal Building Permits

Permits issued at the Montreal city hall during November for new construction amounted to $4,799,070. The 308 permits given out authorized the building of 149 new houses, containing 511 dwellings and 15 stores. There were also permits for 25 sheds, 106 garages, four factories, two warehouses, two office buildings, thirteen apartment houses, three schools, one hospital and three sundry structures.

Turner Valley Drilling Report

Wells Drilled by Imperial Oil

PROGRESS REPORT—Week Ending Dec. 13, 1930

Name of Well	No.	Type	Depth last report feet	Present depth feet	Feet drilled feet	Remarks
Royalite	24	S.	5321	5363	42	Drilling in lime (Top lime 5,255 ft.; 108 ft. in lime).
Royalite	25	R.	4113	4273	160	Drilling in chert (Top of lime at 4,278 ft.)
Foothills	3	DD.	....	....	...	Fishing for N rods at 5,489 ft.)
Mayland	4	S.	1396	1406	10	Straightening hole at 1,295 ft.
Mayland	6	R.	858	1461	603	Drilling in middle Dakota.
Lowery	2	R.	4392	4572	180	Drilling in lower Dakota (Top Home sand at 4,390 ft.)
C.D. & P.	1	1	3170	3170	...	Fishing for drill pipe at 2,681 ft.
S.W. Pete.	2	R.	1370	1621	251	Drilling in shale.
Southern Lowery	1	R.	4170	4170	...	Rotary 90% completed.
Lethbridge	1	S.	322	322	...	20 inch casing lowered to 315 ft.

NOTE: R—Rotary; S—Standard; DD—Diamond Drill.

Spillers Can. Milling Will be Foreclosed By English Parent Co.

Editor The Financial Post.

Recently the Royal Trust Co., which is trustee in Canada for the bondholders of Spillers Canadian Milling Co., brought action to foreclose the property and at the present moment the situation is that proceedings are deferred to December 13. Now these bondholders are really Spillers Ltd. of London, England, and it appears to some of us shareholders in Alberta that it is both unwise and harsh to push these claims at the present moment when it is very difficult because of the present depression and the inability of shareholders to put up more money to keep our property. It appears to me that Spillers Ltd., will get the whole property by pushing its claims at the present time. Would not the attorney-general of Alberta in such a case be justified in intervening?"

—ALBERTA SHAREHOLDER.

It is probably true that if Spillers Ltd., prosecutes its claims at present it will fall somewhat short of getting the full value of the bonds which it owns. It could keep the property, of course, and operate it in the future when demands for flour permit it. On the whole, however, it is hard to see how the company could act otherwise than it has done. you will remember that the Alberta Flour Mills Co., the old company, proved a rather expensive proposition to promote; after selling shares for $1,400,000 they had only erected two stories of the mill and arrangement was made with Spillers Ltd. of London to form a new company called "Spillers Canadian Milling Co., The Alberta Flour Mills Co. was liquidated, and it received preferred shares of Spillers Canadian Milling Co. for the assets. A mill partly erected is not an earning asset, and without the new money the mill could never have been made a producing proposition.

Spillers took the bonds for the money they put into the company and also the common shares. Without this new money shareholders would have lost all their money in any case.

It is also to be remembered that this is no new decision. Spillers Ltd. gave full warning three years ago that if they did not receive interest on their bond holdings such steps as those now taken would be necessary. Grain prices were not then low and had no bearing on the matter. Officers would probably hear from their English shareholders if they did not protect these bonds which are the property of the shareholders.

May Discuss Purchase Of Winnipeg Electric

From Our Own Correspondent

WINNIPEG. — A consultation between A. J. Nesbitt and P. A. Thomson and Mayor Webb is reported to presage the opening of negotiations between the Winnipeg Electric and the City of Winnipeg for the purchase of the company's electric railway.

The first published report on the subject intimated that Mr. Nesbitt had suggested that the city buy out the whole undertaking of the Winnipeg Electric, including both street railway and power plants, or, in the alternative, for the company to purchase the city hydro utility.

It is taken for granted, however, that if such a suggestion were made it would hardly be put forth seriously. Winnipeg is too proud of its City Hydro to consider any suggestion for going out of the business of producing and distributing electricity.

Much Duplication

On the other hand, while there is a good deal of sentiment in the city in favor of acquiring the street railway, the idea of purchasing the Winnipeg Electric's power plants has not received any consideration to date, and it is doubtful if the city would be either willing or able to finance such an undertaking.

There is a great deal of uneasiness around the city hall as to the danger of giving to the company any notice of intention to acquire the street railway, which the city is entitled to do, up to February next, for fear this would lead to the city's paying an unnecessarily high price, under the arbitration provisions of the franchise contract. But an offer to negotiate the sale of the railway might meet with a good response.

An argument might also be put forward in favor of consolidating the electric distribution system within the city. Almost everywhere throughout the city poles or lines of the two systems duplicate each other, and some substantial economies might be effected by consolidation.

LAWRENCE FLOUR EXPORT DEMAND RECORDS GROWTH

Since Sept. 1 Sales 25 Per Cent Ahead of Last Year

From Our Own Correspondent

MONTREAL.—Export sales of St. Lawrence Flour Mills Co. have shown a sharp gain during the current fiscal year which began September 1, it is estimated that shipments to date are about 25 per cent in excess of those for the same period a year ago.

Improvement is a reflection of the conformity of Canadian wheat to world prices. Last year Canadian wheat sold, for a time, at prices above world levels which made it difficult for Canadian millers to sell their product in overseas markets.

While earnings of St. Lawrence Flour Mills were lower in the fiscal year ended August 31 they did not show the sharp decline that was recorded by some of its confrères which operate on a larger scale in the milling industry.

Profits were $105,017 as compared with $139,726 in the previous year, and after all deductions there remained a sum equal to $3.11 a share on the common stock as against $6.20 a share in the preceding year.

No dividends are paid on the common of which there is $1,200,000 outstanding. Preferred dividends have been maintained since 1914 at the rate of 7 per cent. The common shares enjoyed a degree of prosperity in the years 1918-1924 when payments of 6 per cent together with bonuses of as much as 4 per cent were distributed. A disbursement of 2½ per cent was made in 1925 but none since that time.

The company operates a flour and feed mill in Montreal, having a productive capacity of about 2,700 barrels a day. Principal markets for output are in Newfoundland, the Maritimes and Quebec. The shares seldom make their appearance in trading on the Montreal Stock Exchange; recent quotations on the common were around 17 while the preferred is traded in in the region of 84 at which price it yields 8.30 per cent.

Campbell Added to Board

MONTREAL. — D. A. Campbell, of Toronto, has been elected to the board of directors of the St. Lawrence Flour Mills Co. Mr. Campbell is one of the best known milling men in Canada and for a number of years was general manager of the Maple Leaf Milling Co.

Can. Hydro-Electric Peak Touches 605,495 Horsepower

From Our Own Correspondent

MONTREAL.—Canadian Hydro-Electric Corp. recently established a new high peak load of 605,495 horsepower, an increase of 2 per cent over the previous record made in October. The figure includes production from the Gatineau, Ottawa, Kipawa and Grand Falls systems of subsidiaries of the corporation.

Output of electric energy thus far this year has averaged 23 per cent over the corresponding period of 1929.

L'Energie Industrielle Substantial Gain in Profits

From Our Own Correspondent

MONTREAL.—Earnings of L'Energie Industrielle, one of the French utility systems in which Foreign Power Securities Corp. has a substantial interest, continues along record lines. In the ten months ended October 31, last, gross income amounted to 157,652,326 francs, as against 120,260,656 francs, in the corresponding period of 1929.

After payment of expenses, net operating income for the 1930 period amounted to 65,359,405 francs as against 43,855,603 francs in the first ten months of 1929.

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PAVING WORK TO CONTINUE IN NEW YEAR

Outlook Good as Public Bodies Plan Jobs of Some Size

1930 IS PROFITABLE

Standard, Dufferin, Canada, Are Three Companies Said to Have Done Well in Recent Months

Business of the Canadian paving companies has been fairly active during the latter part of 1930, due to a large extent to the ambitious programme undertaken by federal, provincial and municipal authorities in an effort to relieve the unemployment situation. As these programmes are not yet completed, and in many cases not yet started, it is reasonable to believe that there will be a considerable carry-over of this activity into the new year.

The millions of dollars granted by the Dominion parliament at its special session early this autumn is undoubtedly having a beneficial effect on the industry as a whole, as well as serving its original purpose of keeping men at work. Municipalities are catching up on neglected works and are also constructing pavements and sewers for the future.

Provinces Are Spending

The Ontario government has already spent in excess of $1,000,000 more in 1930 than it had originally intended, stepping into its anticipated 1931 expenditure to that extent. It is more than likely that as long as there appears to be a need, the government will continue to anticipate its future highway requirements. The Quebec government is now letting contracts for the construction of a large stretch of highway in the Eastern townships known as the Sherbrooke-Derby Line highway. Tenders are in for the first contract in connection with this programme and award is now pending.

The construction industry itself, of which paving forms only a part, is considerably less active than in the boom years of 1928 and 1929. This is chiefly noticeable in office building, apartment house building, and house building, and to a less degree in industrial construction. The firms which deal in builders' supplies, as part of their business, are therefore experiencing declines in these departments. It is not likely that the former level of building activity will be resumed until after a definite turn for the better is made by business as a whole.

Competition is Severe

An unfavorable factor entering into the anticipated profits of the paving industry is the severe competition which exists at the present time. An evil effect of the prevalent system of competitive bidding on contracts of a public nature is that municipal bodies, in their anxiety to accept the lowest figure, often overlook such things as quality of both materials and workmanship, and the ability of the contractor to handle the job quickly and well. In the long run, however, the larger companies, and these include those concerns in which there is a public interest, should show their worth, so that the long term outlook for their securities is comparatively bright. In so far as the paving industry is concerned, it will likely be a case of survival of the fittest.

The paving industry however possesses one favorable feature. To a large extent the concerns engaged in the industry do business with government bodies. For this reason bad debts are comparatively rare and collections are usually prompt and sure with consequent favorable reflection in current working capital positions of these companies.

In Eastern Canada public interest in the paving industry is confined to three large companies—Standard Paving & Materials, Dufferin Paving & Crushed Stone, and Canada Paving & Supply Corp. The seven per cent preferred and common shares of Standard Paving are listed on the Toronto and Montreal Curb markets, Dufferin Paving seven per cent first preferred and common on the Toronto Curb, and Canada Paving seven per cent first preferred and common on the Toronto Curb. These three companies, through their subsidiaries, do a large share of the paving, sewer work, and allied supply business in Ontario and Quebec. Standard Paving, through a subsidiary, also operates in New York State.

Standard Paving Earns Dividends

Standard Paving & Materials was organized in January, 1929, as a merger of Standard Paving, Ltd., Ottawa, and Consolidated Sand & Gravel. The company also owns all the issued capital stock of Kilmer & Barber, Ltd., Toronto, and National Sand & Material Co., Welland. Although the company's fiscal year does not close until March 31, 1931, it is stated that its business is running along at a satisfactory rate and is practically as good as last year. Its liquid position is understood to have improved considerably in 1930. In its last fiscal year, consolidated net earnings were equivalent to $38.37 on each preferred share and $3.53 on each common share, dividend disbursements being respectively $7 and $2 per share.

Dufferin Paving in Quebec

Dufferin Paving & Crushed Stone was incorporated in the early part of 1929 as an amalgamation of Dufferin Construction Co., and Constructing & Paving Co., both of Toronto, and several subsidiary gravel, sand, and crushed stone properties in various parts of Ontario.

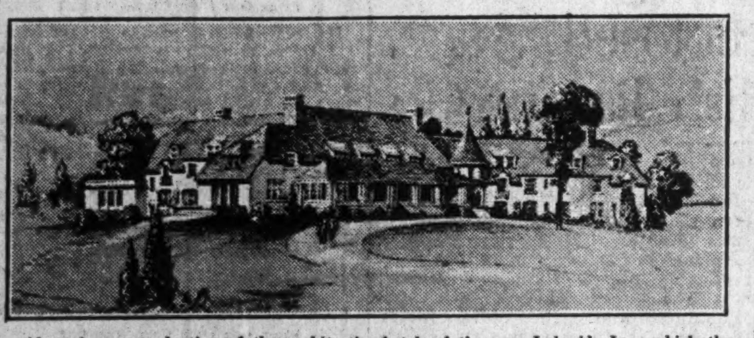
Since that time the company has extended its operations into Quebec through the formation or purchase of Quebec Paving Co., Limited, specializing in road paving, D. Verochio Construction Co., Limited, excavation and road construction, and National Quarries, Limited, crushed stone, etc. A more recent incorporation is the Dual-Mixed Concrete Co., Toronto, which specializes in the manufacture and distribution of the popular new "ready-mix" concrete. This company had the contract for concrete work for the new Bathurst Street bridge at Front Street, Toronto.

Although no official statement has been made, it is understood that both the construction and supply ends of Dufferin's business have been satisfactory this year. A large amount of work was carried over from 1929. In the fiscal year ended December 31, 1929, after depreciation and depletion, consolidated net earnings were equivalent to $20.08 on each share of seven per cent first preferred stock, of which $5.83 was paid, and $2.97 on each share of common stock which is not yet on a dividend basis.

Canada Paving & Supply Corp. is a merger effected in the latter part of 1928 of a number of paving and supply companies operating in the Border Cities. It is understood that consolidation of the various units is being successfully achieved, one evidence being the use of one central office building to house the executive staff. The company has had a number of federal, provincial and municipal contracts this year.

It is understood that its balance sheet position since the close of its year last January 31 has been improved. In the fourteen months to January 31, 1930, after depreciation, consolidated net earnings were equivalent to $10.39 on each share of seven per cent first preferred stock while none was available for the common stock.

Latest Link in C. P. R.'s Hotel Chain



Above is a reproduction of the architect's sketch of the new Lakeside Inn, which the Canadian Pacific Railway is constructing at Yarmouth, N.S. This is the third hotel which the company has in Nova Scotia, the other two being at Kentville and Digby.

Large Gas Co. Merger Is Possible in Ontario

Union Natural Gas Co. and Cities Service Co. Are Understood Both to be in Market for Each Other —Negotiations Have Been Proceeding

Two large natural gas and public utility undertakings in Ontario, the Doherty interests which control Cities Service undertakings and the Union Natural Gas Co., desire to buy each other out. It is understood that the Doherty interests, who are prime movers in the project to spend hundreds of millions of dollars in the United States to pipe natural gas from Texas to Chicago and from other fields to every populous part of the United States, would like to carry on similar projects in Canada on a large scale.

Union Natural Gas Co., which has expanded from an original investment of $300,000 to a position where it controls assets estimated at $45,000,000, has entrenched itself throughout Western Ontario from the Border Cities to Hamilton and would also like to have the various units established by the Doherty interests.

Bond Issue Coming

Union Natural Gas has expanded so far by giving rights to shareholders for additional stock, by turning earnings back into the business and by borrowing from the bank whenever good opportunities turned up. It is understood on good authority that the period of increasing the capital stock is for the time being at least at an end and that the company will finance recent expansion by means of a bond issue.

Probably the company has almost doubled the assets by expansion which took place in 1930. The Cities Service subsidiaries which would prove attractive to Union Natural Gas Co. is Dominion Gas Co., which controls Brantford Gas Co. and Dominion Natural Gas Co. It is probable that they are also interested in Southern Ontario Gas Co. and Manufacturers Natural Gas Co., Hamilton. The Hamilton Co. would be useful to the Union Natural Gas in view of the interests acquired there with the recent purchase of United Fuel Securities and its various gas and fuel company subsidiaries.

CANADA'S DEBT IS UP $22,381,938

Ordinary Revenues Down by $55,500,000 at End of November

Total net debt of the Dominion as at Nov. 30, 1930, increased by $22,381,938 as compared with the corresponding date in 1929. The figure for the current year is $2,185,733,138 as compared with $2,163,351,200 in 1929. The funded debt has increased by $73,249,232 to $2,378,015,040 and other liabilities bring the total of liabilities to $2,745,224,069 or $69,810,914 above the 1929 figure. Assets have increased during the year by $47,418,976 for a total of $559,490,931 and reduce the increase in the net debt to the figure above.

During November, 1930, ordinary revenues of the Dominion amounted to $26,438,879 as compared with $34,437,481 in the corresponding month of 1929. Since the first of the fiscal year Apr. 1, ordinary revenue has fallen $55,475,798 below the figure for the same period in 1929. Ordinary expenditures amounted to $59,960,539 during November, an increase of $2,762,000 over the same month of 1929. Other expenditures bring the November total to $63,439,603 and the total for the current fiscal year to $274,296,879, as compared with a total expenditure in the same period of 1929 of $269,649,992.

Capital expenditures during the fiscal period to Nov. 30 have amounted to $19,918,000 for public works, railways and canals. In 1929, disbursements during the same period on these accounts totalled only $15,057,000.

Clark Martin Loss Totals Over $500,000

Various claims against Clark, Martin & Co., a Winnipeg brokerage firm which recently went into liquidation, will be dealt with on December 20 in that city, when a statement of the affairs of the company as at October 21, 1930, will be submitted.

According to the report, the company had incurred as of that date a net loss of $305,741, in addition to complete loss of the $200,000 capital of the company. The final amount realizable on the assets of the company will depend largely on the value of some securities at the time of the sale of such assets. Some of these securities are unlisted, and it is difficult to place a value upon them.

A portion of the loss is due to a loan to Western Alberta Oil Company, which went into liquidation about two months ago.

Many of the creditors have claimed special preference due to surpluses which have been or may be created in the hands of bankers and correspondents by the sales of customers' securities.

These claims will be dealt with at the court proceedings commencing December 20.

Public Utility Investment Shares Give Good Return

Dividend payments made by Public Utility Investment Co., Montreal, amounted to 85 cents per share during 1929 to give a yield of 7.08 per cent. A payment of 50 cents per share was made on January 2 and another of 35 cents per share was made on July 2. In 1930, the company has paid a total of 90 cents per share which represents a yield of 7.5 per cent on the original offering price of $12 per share.

In an analysis of Canadian investment trusts in The Financial Post of November 27 it was reported in error that the company had paid but 40 cents per share in dividends during 1929.

INVESTORS SPEAK OUT AT ALCOHOL MEETING

Lord Shaughnessy Confirms Reports of Troubles in Industry

Lord Shaughnessy, president of Canadian Industrial Alcohol, admitted to shareholders at the annual meeting held in Montreal that a price-cutting war had been existent in the Canadian distillery industry during the past year and had been to a large extent responsible for the shrinkage in the company's gross business.

He said that the present condition in the alcohol business was analogous to that in the Canadian pulp and paper industry, and added that similar action would be necessary to solve their difficulties. Lord Shaughnessy referred to attempts that had been made by the large interests to eliminate such a war and was hopeful of some solution in the future. The closing of border export business had been a big factor in precipitating the struggle.

Shareholders were persistent in questioning the president as to definite explanation of several obscure items in the balance sheet and the matter of minority and independent representation on the board of directors.

George K. Martin of Toronto, wanted information on the 75 per cent drop in profits, while that of other liquor companies was comparatively good; the amount written off in shares of associated companies, and the increase in inventories. He wanted to know why goodwill was not shown in a segregated form from the fixed assets. Information was also sought on the success or otherwise attending the recently completed Lindsay plant, and considerable discussion followed on the relations of the company with McNish, and the extent to which Alcohol was involved.

President Shaughnessy gave a brief explanation in reply to these questions which met with the approval of those present.

Mr. Martin and J. Caron of Montreal, were persistent as to representation of common shareholders on the board, and request was made that two members of the present board be supplanted by the shareholders mentioned. The president then declared that he would give the matter every consideration. He reminded them that at the last general meeting he had asked shareholders to submit two names whom they might consider as eligible for their representation on the board. Since then no names had been suggested. Mr. Martin declared shareholders need not expect adequate representation as long as the Davis Estate controlled the company.

National Sewer Pipe Reelects All Directors

At the annual meeting of the National Sewer Pipe Co., held this week, the entire board of directors was re-elected for the ensuing year.

Ryland H. New, president, stated that operations during the year had been very satisfactory. Common dividends paid during the year amounted to $186,165.50, and covered three regular quarterly payments of 50 cents per share in the 1930 fiscal year and one special payment of $2 per share applicable to the company's net earnings in the 1929 fiscal year.

Con. Food Stores "Stop & Shop" Do Well

"Stop and Shop" units of Consolidated Food Products in Montreal, Toronto and elsewhere still report business proceeding on a good basis.

It is hardly likely that the annual financial statement for the year ending March 31, 1931, will reflect the improvement shown in recent months as a result of the economies effected and the new merchandising policies adopted because there will be drastic write-offs to bring the old statements into line with realities. The response from the public, however, is giving distinct encouragement to the management.

Canadian National Railways

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TRADE OF WORLD DOWN 8 PER CENT IN PRESENT YEAR

First Decrease Since 1921 Says Foreign Trade Council

EUROPE HOLDING UP

Germany Makes Amazing Gain as Rehabilitation Proceeds—Canada Ranks High

The steady growth of international commerce has been interrupted this year for the first time since 1921 by a net decrease of about 8 per cent in the volume of the world's export trade, according to the annual analysis of international trade issued by the National Foreign Trade Council of the United States. The council's statement emphasizes the fact that, in spite of the present downturn, international trade, as expressed in world exports, is still about 16 per cent greater in volume than it was in 1925. About two thirds of this gain in the tonnage of world trade, that had been made since 1925 up to the end of last year, will thus still be retained at the end of 1930, on the basis of present figures covering about half the world's commerce.

World export trade for 1930, according to figures up to December 1 for nations carrying on about 95 per cent of the world's commerce, indicate that the export trade of the 101 nations of the world will be about $22,500,000,000 for 1930. The total exports of these 101 nations for 1929 were $24,427,000,000, both figures being reduced to the common index of 1931 prices.

An interesting feature of the report is a table showing the ten nations which have made the greatest growth in export trade during the period 1913-1929 and during the years 1928 and 1929. In the sixteen-year period, Canada showed by far the greatest percentage gain, our exports having risen in that period 121 per cent after adjustment to the value of the 1913 dollar. Between the years 1928 and 1929 however, Canada increased her exports by only 4 per cent. This is shown in the following table:

Ten Nations Showing Largest Export Growth

1913-29		Per cent
United States	$1,301,000,000	52%
Canada	556,000,000	121
Japan	401,000,000	117
British Malaya	177,000,000	88
Argentina	173,000,000	34
China	171,000,000	56
Dutch East Indies	170,000,000	68
Denmark	147,000,000	79
Sweden	132,000,000	60
Australia	96,000,000	25
1928-9		
Germany	242,000,000	12
United States	112,000,000	3
Japan	60,000,000	9
Sweden	49,000,000	16
Russia	41,000,000	14
Persia	37,000,000	50
British Malaya	36,000,000	11
Canada	36,000,000	4
Belgium	32,000,000	5
Hungary	31,000,000	33

A notable fact of the year's business is that European export trade has been less affected by the present depression than that of any other section of the world. The actual volume of Europe's export business has remained very close to what it was in 1929. Though its trade is less than last year's in current dollar values, this is almost entirely due to the fall in prices. In 1929 the aggregate export trade of the 27 European nations had at last reached 99 per cent of its 1913 volume. The figures reported by the various governments place the 1929 total at $11,985,000,000 adjusted to the 1913 dollar, compared with the $12,086,000,000 actually reported by these nations for 1913.

Germany Leads Way

The outstanding element in this progress has been the rehabilitation of Germany, whose export trade has made up arrears from its 1913 volume, of practically 40 per cent, since its present growth began to get under way in 1925. Great Britain came in 1929 within 5 per cent of its 1931 export volume and all the other nations of western Europe, with the exception of Holland, have a substantially increased volume of exports over the prewar year.

The present decrease in exports, among the countries producing large surpluses of raw materials, has followed a period of unusual expansion of production in many of these countries, which has culminated this year in a severe reduction of the prices of many basic products. Taking the period from 1925 to 1930 as a standard, the normal growth of population of about 5 per cent, and of general consumption of about 15 per cent for such a period has been substantially exceeded in a number of outstanding cases. The world output of crude petroleum thus increased in this interval by 35 per cent, that of copper about 25 per cent, of silk about 21 per cent, in addition to an increase of 130 per cent in the production of artificial silk, and that of wood pulp about 20 per cent. The acreage under coffee has been increased by 50 per cent in this period and the crop increased by 65 per cent in a single year. Since 1922 the world's sugar crop has increased by 45 per cent, and since 1923 the world's rubber crop has increased by 40 per cent. The world wheat crop increased from the middle of 1925 to the middle of 1929 by about 27 per cent.

Other Factors Appear

Surpluses in these products have appeared not merely because of their increasing production, but because of other factors of increasing influence. The wide use of reclaimed rubber, for instance, and of iron and steel scrap, is one phase of economy in manufacturing that has resulted from extensive experimentation. The greater employment of rustless steel, the increasing durability of road construction and the longer life of tires are factors of another phase of modern industry tending to keep products in longer use. The discovery of synthetic substitutes has caused modifications in industries as widely divergent as the nitrate, leather, and silk industries. There has been growing competition, tending in many cases to increase more selective buying habits in the general public.

The mere increase of production could not have brought about the price recessions of the present year, had not some or all of these additional factors operated. The present condition in world trade is the effect of these combined influences. It is reflected in an inevitable temporary slackening in consumption, until the vast resources in buying power, steadily tapped since the war, again resume their normal function in stimulation of trade activity and continued national prosperity.

Prices Near 1931 Level

World prices are lower, meanwhile, than at any time since the war; even lower than in 1921. They have decreased since this time last year by fully 15 per cent, approximating, as an index of present world export values, a figure of less than $1.20 as related to current dollar values in 1913. The recession since 1925 has been from a corresponding world export index price of $1.56, on the 1913 dollar, or a drop of almost 25 per cent in the past five years.

The most constructive factor of the present year is, however, that manufacturing industry, particularly in Europe and the United States, though reflecting the general reductions of prices, has not substantially reduced the volume of its products entering international trade. The single exception is the automotive industry whose exports, almost 90 per cent of which come from the United States, have dropped off during the present year almost by half from its 1929 record. The average diminution of other manufactured exports from the United States by only 8 per cent, coupled with the ability of Europe to maintain her own predominantly manufactured exports at practically last year's volume, show that the greater part of the year's losses in foreign trade has been absorbed by the more speculative international commerce in raw materials. This relatively steady market for the products of manufacturing removes much of the danger from the present situation and presages an improvement for the near future.

Rhodesian Congo Border Gives Details of Drilling

In a cable from Rhodesia, the Rhodesian Congo Border Concession gives figures of preliminary results obtained from the company's diamond drill hole N. E. 44, supplementing figures given out as of November 3, 1930.

The figures follow:

	Core Recov. %	Tot. Copper %	Sulph. Copper %
1210 to 1215 ft.	60	6.20	0.04
1215 to 1220 ft.	28	6.98	0.07
1220 to 1225 ft.	44	7.69	0.05
1225 to 1230 ft.	60	6.40	0.52

STEEL OF CANADA DIVIDEND DECISION LOOKED FOR SOON

Privy Council Expected to Act Before End of Year

From Our Own Correspondent

MONTREAL.—Decision of the Privy Council in respect to the claim of the common shareholders of Steel Co. of Canada for arrears of dividends on their stock before further distribution on the preferred shares, is expected before the end of the year.

Considerable importance is attached to this decision, not only by the company but other Canadian corporations as well. As far as Steel Co. of Canada is concerned, some $4,000,000 is involved. The rights surrounding participating preferred stocks of other companies will also be affected by the decision.

Want Full Rate

It will be recalled that when Steel of Canada split its common and preferred stock and raised the dividend from 7 to 8 per cent, two common shareholders contended that before any further distribution was made on the preferred stock, a dividend of 7 per cent on the common stock should be made from date of incorporation. This had not been done, the difference amounting to nearly $10 a share.

The case was tried in the lower courts and a verdict rendered in favor of the plaintiffs. The company and representatives of the preferred shareholders appealed the decision, which is now to be decided upon by the Privy Council.

A point to bear in mind respecting this claim is that in the event the Privy Council upholds the decision of the lower courts, the company is not obligated to pay the difference in the rate paid and 7 per cent. It does mean, however, that the preferred cannot participate in any profits above 7 per cent until the claim is adjusted.

Meanwhile both the preferred and common stocks of Steel of Canada have been sluggish marketwise, pending the decision of the Privy Council. The common stock would appear to be in the better position, as it stands to win everything and lose nothing.

Hon. E. B. Ryckman's Post With Dunlop Still Vacant

The vacancy caused by the resignation of the Hon. E. B. Ryckman from the presidency of Dunlop Tire & Rubber Goods Co., in order to accept the post of Minister of National Revenue, will not be filled until the directors meet immediately following the annual meeting of the company, which will be held February 17, The Financial Post is officially informed.

It is also learned that the regular dividend on the preferred shares due January 1, 1931, has been declared.

Timely Investments

Williams, Partridge & Rapley, Limited

360 St. James St. W., Montreal

Dairy Corp. Wishes to Buy Canada Dairies

Shareholders of Canada Dairies, Ltd., are meeting on Saturday, December 20, in Room 929, Commerce and Transportation Building, Toronto, for the purpose of considering an offer made by Dairy Corp. of Canada for the assets of the company. The directors have already passed a by-law authorizing the sale but this has to be approved by shareholders before it becomes effective.

No statement has been made as to the character of the offer but it is understood that acceptance of the proposal will entail the formation of a new company and the exchange by shareholders of present holdings for common stock in the new company. No dividends are being received by Canada Dairies shareholders so that it is believed likely that they will be willing to accept a stock which will give them a stake in the future progress of the new company, which will be a subsidiary of Dairy Corp.

Canada Dairies, operating in Toronto and smaller Ontario municipalities, is a consolidation of seven dairies with an authorized capital of $1,700,000 in 7 per cent preferred stock and 75,000 no par value common shares, of which $800,000 preferred and 35,000 common shares have been issued.

Dairy Corp. which now has companies in most provinces of the Dominion, will benefit materially from having a Toronto company in its chain. Canada Dairies, which has expanded without attaining as yet to the profitable stage, will also benefit from the more powerful financial and managerial strength which will be made available to it.

Call Sawyer-Massey Annual Meeting

Shareholders of Sawyer-Massey Ltd. have been notified that the annual meeting will be held on December 23 at 12.30 p.m. at the offices of the company on Wellington St. North, Hamilton, Ont.

Gatineau Electric Light Appliance Sales Increase

From Our Own Correspondent

MONTREAL. — Gatineau Electric Light Co., subsidiary of Canadian Hydro-Electric Power Corp., reports sales of electrical household appliances during October as 2 per cent greater than in the same month a year ago. Appliances sold in October this year added an estimated consumption of 59,435 kilowatt hours per year to the system.

The flat-iron continued to be the most popular electric appliance, and in October there were sold three and one-half times the number disposed of in the same month last year. Floor and table lamps followed the flat-iron in number sold and then came in order, curling irons, grills and table stoves, percolators, egg cookers, toasters, washing machines, vacuum cleaners, electric ranges, water heaters, ironers. hshrdul cmfwpy shrdl wfm pycu shrdl

W. H. Bosley & Co.

Real Estate

Appraisals

We serve municipal governments, financial institutions and private owners in the appraisal of property and in arbitration cases.

The record of this service is ample evidence that those who retain us to appraise property are well satisfied.

If you need an appraisal for legal, financial or other purposes, consult us.

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Toronto
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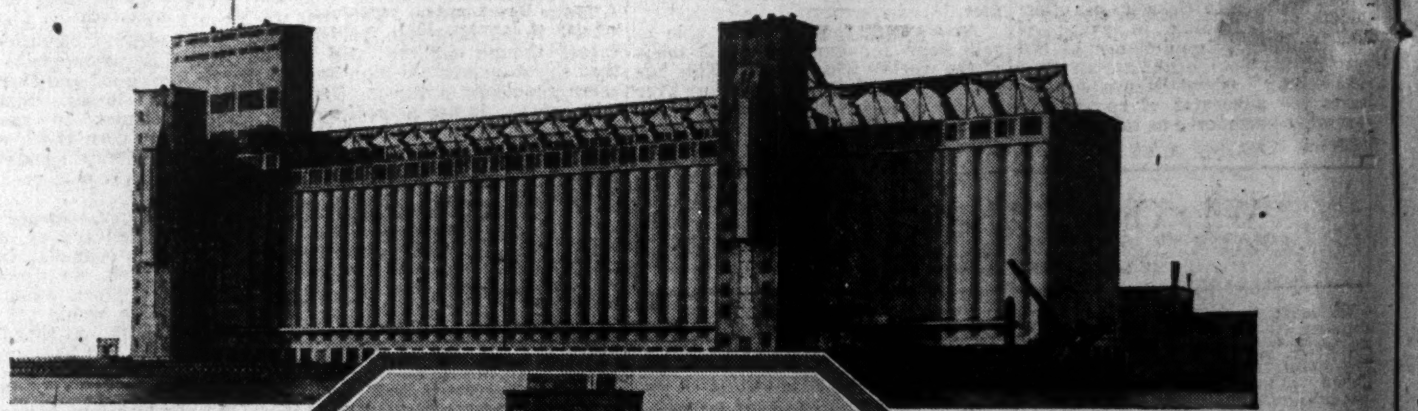
Toronto General Trusts Building - - Toronto



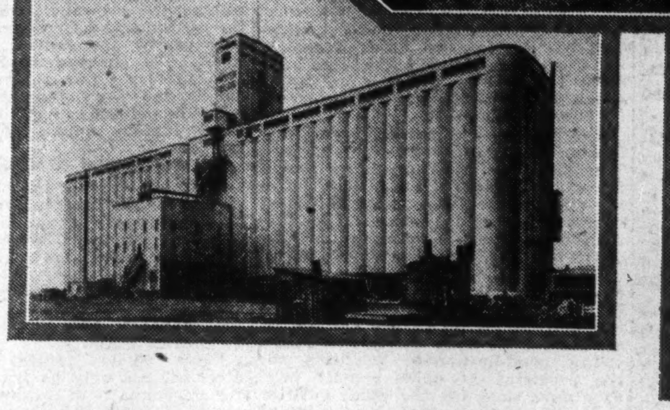
Above: Kingston Elevator Co. Ltd., Kingston, Ont. *Engineers:* C. D. Howe & Co., Port Arthur, Ont. *General Contractors:* Carter, Halls, Aldinger Co., Ltd., Winnipeg, Man. *Roofers:* Heather & Little Co., Ltd., Toronto, Ont.

Below: Toronto Elevators Ltd., Toronto, Ont. *Engineers:* C. D. Howe & Co., Port Arthur, Ont. *General Contractors:* Fegles Construction Co., Ltd., Winnipeg, Man.

Roofers: Canadian Rogers Sheet Metal & Roofing Co., Toronto, Ont.

Centre: Application of Murray-Made Bonded Roof on Halifax Grain Elevator.

Below: Halifax Harbour Commissioners Grain Elevator. *General Contractors:* Folwell Engineering Co. of Canada, Halifax, N.S. *Roofers:* James Donohue Ltd., Halifax, N.S.



Both Coal Tar Pitch and Gravel, and Built-up Asphalt Roofs are suitable for Grain elevators if they are Murray-Made.

Impressive Proofs of Service are these Murray Bonded Roofs

Grain worth millions of dollars....a pillar of Canadian prosperity ....is stored in elevators from coast to coast every year.

Absolute protection against weather is imperative if that golden store is to be kept in the perfect condition essential to meet the demands of world markets.

It is significant that Murray Bonded Roofs were chosen for many of the newest and most modern elevators constructed at key shipping points throughout the Dominion.

Today, wherever roof security is of vital importance, a Murray Bonded Roof is the inevitable choice of Canadian executives.

Murray Roofing engineers will gladly consult and co-operate with you in planning and installing the most suitable roof for any type of building.

Murray Made M -Bonded Roofs

A Surety Bond definitely guarantees trouble-free and expense-free service over a period of 10, 15, or 20 years, according to the specification selected. Only authorized Roofers are permitted to apply Murray-Made Bonded Roofs, the entire construction being under the direct supervision of Murray Engineers.

Alexander MURRAY & Company LIMITED
(DOMINION TAR & CHEMICAL CO., LIMITED)

MONTREAL - TORONTO - HALIFAX - SAINT JOHN - WINNIPEG - VANCOUVER

DIVIDEND NOTICES

Abitibi Power & Paper Company
LIMITED

Dividend Notice

Notice is hereby given that a quarterly dividend of one and one-half per cent has been declared on the Six Per Cent Cumulative Preferred Stock of Abitibi Power & Paper Company Limited, payable the 20th day of January, 1931, to shareholders of record at the close of business the 10th day of January, 1931.

By Order of the Board,
T. BROADHURST,
Secretary.

The Real Estate Loan Company of Canada, Limited

Notice is hereby given that a Dividend at the rate of three and one-half per cent for the half year ending 31st inst. has been declared upon the Capital Stock of the Company, and that the same will be payable at the offices of the Company on and after the 2nd January, 1931, to Shareholders of Record of 20th December, 1930.

By order of the Board.
E. L. MORTON,
Managing Director.

Toronto, 11th December, 1930.

Canadian Pacific Railway Company

Dividend Notice

At a meeting of the Board of Directors held today a dividend of two and one-half per cent. on the Ordinary Capital Stock for the quarter ended September 30, 1930, was declared from railway revenues and special income, payable December 31, 1930, to Shareholders of record at three p.m. December 1.

By order of the Board,
ERNEST ALEXANDER,
Secretary.

Montreal, November 11, 1930.

CHARTERED TRUST AND EXECUTOR COMPANY

Dividend Notice

Notice is hereby given that the regular quarterly dividend of 1½% has been declared payable on the Second day of January, 1931, to Shareholders of record at the close of business on December 27th, 1930.

By Order of the Board,
E. W. McNEILL,
Secretary.

Toronto, December 1st, 1930.

The Consolidated Mining & Smelting Company of Canada, Limited

DIVIDEND No. 53

Notice is hereby given that a Dividend of Five Per Cent (5%) on the paid-up Capital Stock of the Company for the six months ending December 31st, 1930, with a bonus of Five Dollars ($5.00) per share, has this day been declared, payable on the 15th January, 1931, to Shareholders of Record at the close of business on the 30th day of December, 1930.

By order of the Board.
J. E. RILEY,
Secretary.

Montreal, December 4th, 1930.

THE STEEL COMPANY OF CANADA, LIMITED

PREFERENCE DIVIDEND NO. 78

Notice is hereby given that a dividend of forty-three and three-quarters cents (43¾c) on the new Preference Shares of the Company has been declared for the quarter ending December 31st, 1930, payable February 2nd, 1931, to shareholders of record at the close of business January 7th, 1931.

By Order of the Board,
H. S. ALEXANDER,
Secretary.

Hamilton, Ontario,
December 13th, 1930.

THE STEEL COMPANY OF CANADA, LIMITED

ORDINARY DIVIDEND NO. 56

Notice is hereby given that a dividend of forty-three and three-quarters cents (43¾c) on the new Ordinary Shares of the Company has been declared for the quarter ending December 31st, 1930, payable February 2nd, 1931, to shareholders of record at the close of business January 7th, 1931.

By Order of the Board.
H. S. ALEXANDER,
Secretary.

Hamilton, Ontario,
December 13th, 1930.

58th Quarterly Dividend

Notice is hereby given that a dividend of Thirty-eight Cents per share (being at the rate of One Dollar and Fifty Cents per annum) on the NEW no-par-value Common Shares of the Company presently issued and paid-up for Quarter ending December 31st, 1930, has this day been declared to shareholders of record, December 31st, 1930, on the Montreal and London, England, registers.

Dividend cheques will be mailed to registered shareholders January 31st, 1931.

By Order of the Board,
G. R. WHATLEY,
Secretary.

Montreal, December 15th, 1930.

Montreal Light Heat & Power
CONSOLIDATED

Owned by 60,000 shareholders, Montreal Light Heat & Power comprises the largest group of customer-owners possessed by any public utility company in Canada

DIVIDEND NOTICES

The Mount Royal Hotel Company Limited

A dividend of two per cent (2%) on the six per cent Preferred Stock of The Mount Royal Hotel Company Limited has been declared, payable December 20th, 1930, to shareholders of record December 10th, 1930.

By Order of the Board.
M. A. THOMSON,
Secretary.

Montreal, December 4th, 1930.

THE DOMINION BANK

Notice is hereby given that a Dividend of three per cent upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st December, 1930, and, in addition, a Bonus of one per cent, making a total distribution of thirteen per cent for the current year,—the Dividend and Bonus will be payable at the Head Office of the Bank and its Branches on and after Friday, the 2nd day of January, 1931, to Shareholders of record of 20th December, 1930.

By Order of the Board.
C. A. BOGERT,
General Manager.

Toronto, 12th November, 1930.

W. D. Beath & Son, Limited,

Dividend Notice

Notice is hereby given that the Company has declared a dividend of twenty cents per share upon its issued Class "A" shares for the six-month period from July 1st, 1930, to Dec. 31st, 1930, payable Jan. 2nd, 1931, to shareholders of record at the close of business on Dec. 20th, 1930.

O. A. LEFRANCOIS,
Secretary-Treasurer.

Toronto, Dec. 16, 1930.

Monarch Mortgage and Investments, Limited

PREFERRED DIVIDEND No. 22
COMMON DIVIDEND No. 13

A dividend at the rate of 8% per annum has been declared upon the Preferred shares of Monarch Mortgage and Investments, Limited, covering the quarter-year ending December 31st, 1930, which will be paid on January 15th, 1931, to Shareholders of record December 31st, 1930.

There will also be paid at this time a dividend of Five Cents per share upon the Common stock of the Company, covering the six months' period ending December 31st, 1930.

By Order of the Board.
EDWARD A. TANNER,
Secretary-Treasurer.

Toronto,
December 10th, 1930.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given, that a Dividend of Three per cent, being at the rate of Twelve per cent per annum, upon the paid-up Capital Stock of this Company, has been declared for the current quarter, and that the same will be payable on and after 1st January, 1931, to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,
WALTER GILLESPIE,
Manager.

The Royal Bank of Canada

ANNUAL MEETING

THE Annual General Meeting of the Shareholders of the Bank will be held at the Head Office, 360 St. James Street West, in the City of Montreal, on Thursday, the 8th day of January, 1931, at 11 o'clock a.m.

M. W. WILSON,
General Manager.

Montreal, December 1, 1930.

Dominion Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three-Quarter per cent. (1¾%) on the Preferred Stock of DOMINION TEXTILE COMPANY Limited has been declared for the quarter ending December 31st, 1930, payable 15th January, 1931, to shareholders of record December 31st, 1930.

By order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, December 4th, 1930.

Dominion Textile Co. Limited

Notice of Common Stock Dividend

A DIVIDEND of One Dollar and Twenty-Five Cents ($1.25) per share has been declared on the Common Stock of DOMINION TEXTILE COMPANY Limited for the quarter ending December 31st, 1930, payable January 2nd, 1931, to shareholders of record December 15th, 1930.

By order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, December 4th, 1930.

The Bank of Nova Scotia

Notice is hereby given that the Annual General Meeting of the Shareholders of this Bank will be held in the Lord Nelson Hotel, Halifax, on Wednesday, the 28th January next, at Eleven o'clock, a.m., for the purpose of receiving a statement of the affairs of the Bank, for the election of Directors and for other business.

By order of the Board.
J. A. McLEOD,
General Manager.

Halifax, N.S., December 11th, 1930.

UNDER THE MANAGEMENT OF
POWER CORPORATION OF CANADA
LIMITED

Canada Northern Power Corporation, Limited

Preferred Dividend No. 24

NOTICE is hereby given that a Dividend of 1¾% (being at the rate of 7% per annum) has been declared on the 7% Cumulative Preferred Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending December 31st, 1930, payable January 15th, 1931, to shareholders of record at the close of business December 31st, 1930.

By order of the Board.
L. C. HASKELL, Secretary.

Montreal, November 25th, 1930.

REVISE FEDERAL LAW RULING TRADEMARKS

Committee of Lawyers Takes Job in Hand for Dominion Government

From Our Own Correspondent

OTTAWA.—The Federal government has appointed a committee of distinguished lawyers to revise the Patent Act and the Trade Mark Design Act. The present purpose is to make the revision at the forthcoming session of parliament but, inasmuch as the committee has not yet begun to work, it may not be possible to finish the revision in time for enactment next year.

The committee will have as its chairman Hon. A. K. Maclean, presiding judge of the Exchequer Court of Canada and the members will include R. S. Smart, K.C., O. M. Biggar, K.C., W. D. Herridge, K.C., all of Ottawa; H. G. Lajoie, of the Quebec Bar; Arthur Anglin, lawyer, of Toronto; Herbert Dennison, former president, and A. E. MacRae, secretary of the Patent Solicitors' Association; George W. Raylor, patent solicitor of Montreal; T. L. Richard, Commissioner of Patents and J. C. MacFarlane, solicitor for the Canadian General Electric Company Ltd.

The committee was appointed some time ago but has not yet held its organization meeting. The task of revision, however, has been taken in hand and all manufacturers interested in the statute governing patents, trademarks or designs have been requested to give the committee the benefit of their views. Representations from all quarters will be welcomed by the committee and it is hoped, in this way, to collect all the data necessary to the revision before sittings actually are begun.

The present intention is to call the committee together about mid-January and begin the business of going over the present act section by section.

DIVIDEND NOTICES

Dominion Engineering Works, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of One Dollar ($1.00) per share has been declared on the No Par Value Shares of this Company, for the Quarter ending 31st December, 1930, payable 15th January, 1931, to Shareholders of record at the close of business on the 31st December, 1930.

By Order of the Board.
F. W. EVENS,
Secretary.

Montreal, P.Q.,
16th December, 1930.

THE CANADIAN BANK OF COMMERCE

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its new banking house, No. 25 King West, Toronto, on Tuesday, the 13th day of January next. The chair will be taken at 12 o'clock noon.

By Order of the Board,
S. H. LOGAN,
General Manager.

Toronto, 21st November, 1930.

Honey Dew, Limited

Dividend Notice

Notice is hereby given that a quarterly dividend of $1.75 per share has been declared on the Class "A" Cumulative Redeemable Preference Shares of Honey Dew Limited, payable on the 2nd day of January, 1931, to shareholders of record the 15th day of December, 1930.

By order of the Board,
ERIC C. LINDSAY,
Secretary.

POWER CORPORATION OF CANADA LIMITED

Preferred Dividend No. 22

NOTICE is hereby given that a dividend of 1½% (being at the rate of 6% per annum) has been declared on the 6% Cumulative Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending December 31st, 1930, payable January 15th, 1931, to shareholders of record at the close of business, December 31st, 1930.

By order of the Board,
L. C. HASKELL, Secretary.

Montreal, November 28th, 1930.

Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable January 2nd, 1931, to Shareholders of record as at close of business December 15th, 1930.

W. S. BARBER,
Secretary-Treasurer.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 10

NOTICE is hereby given that a dividend of Fifty cents per Share on Class "A" Shares of no par value has been declared for the period ending December 31st, 1930, to Shareholders as of record at that date and that same will be payable by the Montreal Trust Company at its office in Montreal, on January 15th, 1931.

By Order of the Board,
ERNEST ROGERS,
Secretary.

Vancouver, B.C.,
December 8th, 1930.

WESTERN GRAIN COMPANY LIMITED

Preference Dividend No. 8

Notice is hereby given that a Dividend for the Quarter ending January 2nd, 1931, at the rate of 6½% per annum will be paid on January 2nd, 1931, to Preference Shareholders of Record at the close of business on December 15th, 1930.

By Order of the Board.
J. B. RENDALL,
Secretary.

Dated at Winnipeg, December 10th, 1930.

DIVIDEND NOTICE

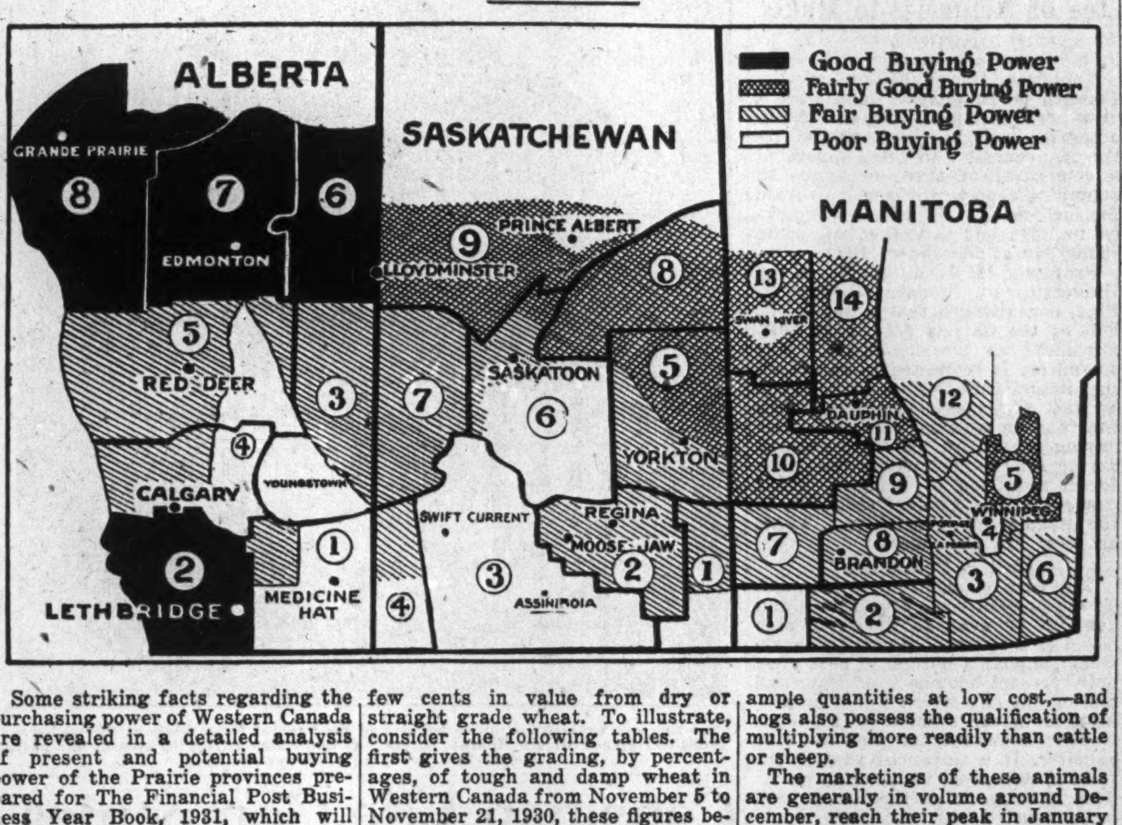
MARCUS LOEW'S THEATRES LIMITED

Notice is hereby given that the Directors of the Company have declared a dividend of 3½% on the 7% cumulative preference shares of the Company for the half year ending 30th June, 1927, payable 15th January, 1931, to Shareholders of record on the books of the Company on 31st December, 1930.

By order of the Board.
B. V. McCRIMMON,
Secretary.

Three Prairie Province Areas Indicate Good Buying Power

Analysis by Business Year Book Indicates Many Parts of Three Western Provinces Should Receive Additional Revenue in 1931 from Delayed Wheat and Hog Marketings



Some striking facts regarding the purchasing power of Western Canada are revealed in a detailed analysis of present and potential buying power of the Prairie provinces prepared for The Financial Post Business Year Book, 1931, which will appear shortly.

In this analysis, in order to show clearly which are the most favorable sales fields at the present time and also to gauge future possibilities, charts, prepared especially by the W. Sanford Evans Statistical Service of Winnipeg, are published, which break up the three prairie provinces into some 31 crop districts and which grade these areas as to whether buying power is good, fairly good, fair or poor. This rating is given on the basis of the 1930 grain crop together with the long-term record of the district.

Little Reserve Buying Power

The primary consideration in preparing these sales charts of the Prairie provinces was the yield and value of the 1930 crop. Proper weight has been given to long-term records in each district but this year these are less significant than present and prospective returns from 1930-31 agricultural production.

There were purchasing power reserves accumulated from 1925 to 1928, but during 1929-30, in the poorer crop areas, at least, these reserves were largely consumed to meet current needs. Broad stretches of the Prairies are therefore almost wholly dependent on 1930-31 income.

Two Maps Shown

Two maps are shown. The first represents in a general way relative purchasing power during the fall and early winter months. The second and smaller one outlines districts which, because of additional sources of revenue should improve in purchasing power during the mid-winter and early spring months. The basis for each map is detailed below, but a few preliminary considerations are necessary.

The 1930 grain harvest began about ten days ahead of 1929 and somewhat earlier than average. Manitoba, Southern Saskatchewan and Southern Alberta were farthest advanced and operations spread in a northwesterly direction. The difference in maturity dates between northerly district grain and southerly district grain was fairly wide and in addition intermittent rains delayed harvesting progress in the northern areas. Thus, when heavy rain and snow covered all the West around the middle of October, 40 to 50 per cent of the wheat in Northern and West Central Saskatchewan and North Central and Northern Alberta was unthreshed. Other parts of the West at that date had practically completed threshing. The immediate effect of the check to threshing was a slowing up of grain marketing, and hence of money returns to farmers in these northern arears.

Wheat Still in Fields

About a month of fair weather followed the heavy snow and considerable further progress was made. Northern and North Central Alberta practically finished threshing and good progress was made in Northern and West Central Saskatchewan. But in parts of Northern Saskatchewan some wheat will remain in the fields until spring.

Considerable of the wheat subject to snow and rain was not affected in grade and even that wheat which absorbed moisture was generally of good quality, and differed only a very few cents in value from dry or straight grade wheat. To illustrate, consider the following tables. The first gives the grading, by percentages, of tough and damp wheat in Western Canada from November 5 to November 21, 1930, these figures being fairly representative of the grading of wheat subject to snow and rain in the northern areas. The second table shows the difference in price per bushel between tough, damp and straight grade wheat.

DETAIL OF TOUGH AND DAMP WHEAT INSPECTIONS
Nov. 5 to 21, 1930—In Percentages

	Tough	Damp
1 Hard	.4%	..
1 Nor.	5.5	..
2 Nor.	39.5	1.7%
3 Nor.	31.0	2.7
4 Nor.	13.2	1.0
Others	4.3	.7
Total	93.9 Tough	6.1 Damp

Difference in Price Between Tough, Damp and Straight Grade Wheat
Average Spread

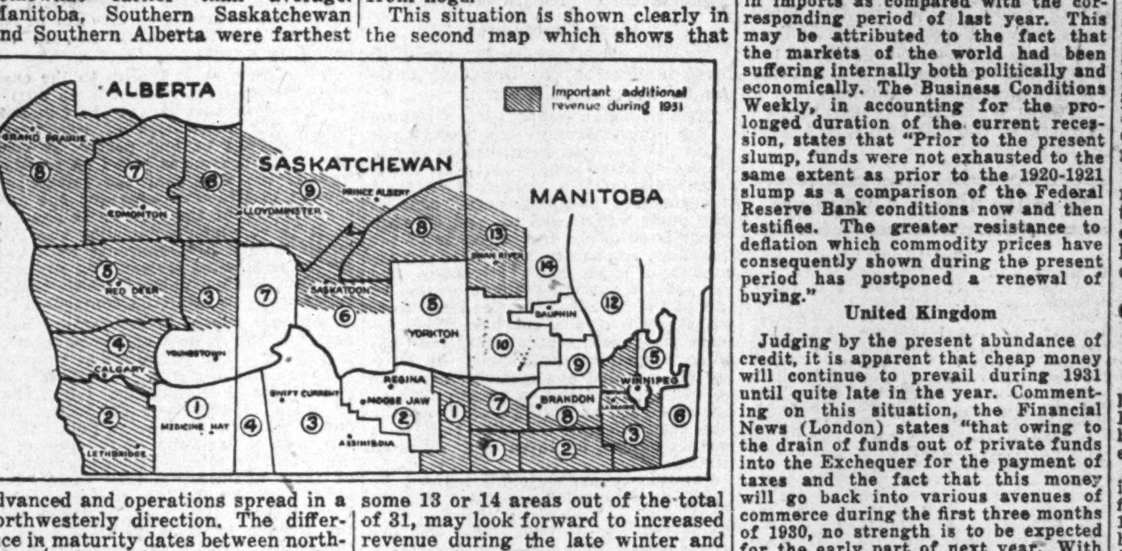
Tough Wheat	
1 Nor.	3½c below straight wheat
2 Nor.	3¼c below straight wheat
3 Nor.	2¾c below straight wheat
4 Nor.	3c below straight wheat
Damp Wheat	
1 Nor.	4c below tough wheat
2 Nor.	4c below tough wheat
3 Nor.	4c below tough wheat
4 Nor.	4c below tough wheat

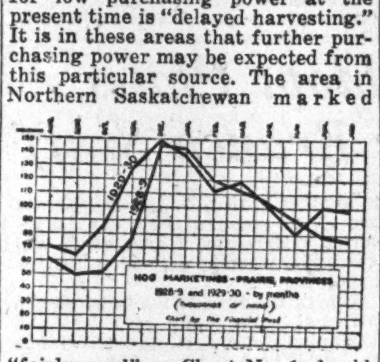
We may conclude from the above that the average reduction in value because of deterioration was not serious. The point to be kept in mind is that there has been a delay in harvesting and that consequently the full benefit of the abundant crops in Northern Alberta and Northern Saskatchewan may not be realized until the mid-winter, and in some cases, early spring months.

Extra Buying Power

However, in view of the peculiar conditions which have existed this year in the marketing of grain crops and in the price of grains which farmers have received so far this year, another important consideration must be faced, which indicates that during 1931 many areas in the West will receive important additional revenue not only from the sale of wheat whose threshing was delayed this fall, but due also to increased marketings from hogs.

This situation is shown clearly in the second map which shows that some 13 or 14 areas out of the total of 31, may look forward to increased revenue during the late winter and early spring. The areas which may look for further grain revenue due to delayed threshing may be found by a study of the tables printed underneath the first chart. It will be noticed that in many cases under the heading "Remarks," the explanation for low purchasing power at the present time is "delayed harvesting." It is in these areas that further purchasing power may be expected from this particular source. The area in Northern Saskatchewan marked





"fairly good" on Chart No. 1 should improve considerably, especially towards the spring.

More Revenue from Hogs

The other chief source of near future revenue is hogs. They have maintained prices well, so far—their principal feed, barley, is available in ample quantities at low cost,—and hogs also possess the qualification of multiplying more readily than cattle or sheep.

The marketings of these animals are generally in volume around December, reach their peak in January and fall off gradually during the spring months.

This increased hog production is almost certain but the effects of this increase cannot be felt until well on toward the last part of 1931. Meanwhile a limited increase in marketing is possible in the spring of 1931 and the heavy marketing period as indicated in the subjoined chart may therefore be extended farther into the spring months. Yet even with marketings remaining around 1928 and 1929 levels the heavy hogs raising areas have an important source of near future revenue which has suffered no serious decline in value so far.

BIRD'S-EYE VIEW OF WORLD FINANCE

Brief, Intimate Glances at Trend of Things Economic

Prepared weekly by the Bankers' Bond Company, Toronto

United States

When the manufacturing activity reached the bottom in 1921 the quantity of goods produced in the United States was approximately 35 per cent smaller than at the peak of 1920. In this connection it is interesting to know that a drop in this category for the depression which is at its crossroads now is but 31½ per cent. This may be accounted for by the fact that the slump in commodity prices has not been as drastic during the past 12 months. Moreover wholesalers had not in store abnormal stocks such as were in evidence in the major depression of 1920.

Foreign trade of the United States, however, for the first nine months of the current year shows a decline of 23 per cent in exports and 29 per cent in imports as compared with the corresponding period of last year. This may be attributed to the fact that the markets of the world had been suffering internally both politically and economically. The Business Conditions Weekly, in accounting for the prolonged duration of the current recession, states that "Prior to the present slump, funds were not exhausted to the same extent as prior to the 1920-1921 slump as a comparison of the Federal Reserve Bank conditions now and then testifies. The greater resistance to deflation which commodity prices have consequently shown during the present period has postponed a renewal of buying."

United Kingdom

Judging by the present abundance of credit, it is apparent that cheap money will continue to prevail during 1931 until quite late in the year. Commenting on this situation, the Financial News (London) states "that owing to the drain of funds out of private funds into the Exchequer for the payment of taxes and the fact that this money will go back into various avenues of commerce during the first three months of 1930, no strength is to be expected for the early part of next year. With the arrival of the Budget during the summer months the second phase of the cheap money period will continue until the autumn of 1931 before any general rise can be foreseen." In the light of this summing up, it is reasonable to assume that in sympathy with a gradual appreciation in Britain's business activity a greater interest will be shown in securities during the early part of 1931 and that quite a firm stock market should evolve during the latter part of 1931.

General

Summary of Europe's foreign trade for the first nine months of the current year indicates a decline of 12 per cent in the value of imports and 11 per cent in exports compared with the corresponding year of 1929. Russia is the only European country which showed gains as to both exports and imports. The following table shows the percentage of increase and decrease for the principal countries:

	Exports	Imports
Austria	—14	—13
Belgium	—16	—10
France	—12	—11
Germany	— 9	—20
Italy	—17	—21
Greece	—27	—17
Roumania	+26	—14
Soviet Russia	+14	+42
Spain	+ 8	— 8
United Kingdom	—19	—12

As a result of the Oustric Bank collapse in Paris recently, several stock brokerage houses have been forced into liquidation and a government enquiry has been appointed in order to investigate connections of this bank with the party officials. This is considered to have been one of the most serious financial debacles experienced by France during this century and apart from the brokerage houses involved several commercial firms may also be forced into liquidation. In addition, the Oustric affair appears to mark a turning point in the present economic situation in France. Paris markets have been weak and stock values generally lower. Manufacturers are pursuing a "watch and see" policy awaiting the result of the official enquiry prior to committing themselves further. In so far as they bear manufacturing activity is concerned for there are other signs visible which would tend to the belief that for the present France has achieved its apex of industrial activity and that a belated depression is about to set in.

Quite a definite step has been taken by the Bank of International Settlements during the past week for the purpose of materializing one of its original objects, namely, the centralization of gold reserves for the purpose of stabilizing financial transfers. The Bank of Spain has made the Bank of International Settlements the custodian of its gold. The world bank thus becomes for the first time the holder of the precious metal. The idea is that the world bank will act as the custodian of Spain's gold and when settlements are to be effected on Spain's account with other countries, the world bank will put the necessary entry through its books and thus avoid the actual transferance of gold. For the present, the gold holdings of the world bank are being stored in the Bank of England's vaults as a matter of convenience. This practice of extending funds to the world bank is expected to become more general in the near future, and thus help to restore confidence internationally. The Hague Treaty provides that the gold confided to the Bank of International Settlements shall remain immune from seizure in times of War.

Inter. Hydro-Electric System to Pay in Stock or Cash

From Our Own Correspondent

MONTREAL. — Directors of International Hydro-Electric System, controlled by International Paper and Power Co., have declared a dividend of one-fiftieth of a share per share on the "A" stock, payable January 15th, 1931, to shareholders of record December 26, 1930. Shareholders, however, have the option of taking in lieu of stock, cash at the rate of fifty cents for each share so held.

At the present time, the stock is selling at approximately 23. Consequently from an immediate standpoint, the cash payment is more attractive, as one-fiftieth of a share is equivalent to 46 cents, or 4 cents under the cash payment.

Canadian Cottons Pay Preferred Dividend

From Our Own Correspondent

MONTREAL. — Declaration of the usual dividend on the preferred shares of Canadian Cottons Ltd., dispels recent rumors that the company was contemplating a deferment of payments. The stock has sold down to around 60 at which price the 6 per cent dividend gives a return of 10 per cent.

While it is doubtful if earnings to date have shown improvement over those of the same period last year, Canadian Cottons, in common with other cotton textile manufacturers, should feel the effects of favorable tariff revisions more fully from now on.

The company has recently made several operating changes toward more efficient production.

Burns & Co. Passes Its Pref. Dividend

Owing to acute declines in Western business and in prices, Burns & Co. directors have passed the dividend due Jan. 1, 1931, on $6,950,000 of 6 per cent cumulative preferred stock. This action was stated to be a probability in a recent issue of The Financial Post.

The directors express confidence as to the future of the company, and Patrick Burns, chairman of the board, states that no changes in policy or management are contemplated.

Mining Enquiries

Sherritt-Gordon

Do you consider the stock of Sherritt-Gordon Mines a good speculation at the present price?

We do not believe that the present is the most opportune time to purchase stock in this company as indications point to its not starting into operation upon completion of the construction programme. Despite the drastic decline in the market value of this stock, which, we believe, represents less than the development and the capital expenditure on account of construction, we see little likelihood of any development that would enhance the value of the stock.

The property has large amounts of low-grade complex ore from which it is almost certain, will yield no profit at current prices. Until there is assurance that the mill is going to start into operation and it has had an opportunity of demonstrating its cost, or until such time as an improvement in the metal market is imminent, we would prefer not to make further commitments in shares of this company.

La Rose Mine

Will you be good enough to let us have any available information regarding the proposed Exchange of La Rose shares for La Rose Rouyn? We should also like to know what actual operations are being carried on at present.

The La Rose Mine is still intact, and was not taken over by the La Rose Rouyn Mine. In 1926 the company sold its property and its controlling interest in the University Mines Ltd. to the new company, the La Rose Rouyn Mines Ltd., in consideration of 750,000 shares in this new company. The sole assets of the La Rose Rouyn Mine at the present time are these 750,000 shares. No general offer of exchange of shares in the new company was made, but a few shareholders were extended this privilege. Others were given an option to purchase shares in the La Rose Rouyn Mines Ltd. at 15 cents per share on the basis of two new shares for each share held.

Development of the old La Rose mine was resumed in mid-summer this year, and is in the nature of exploring for and mining the cobalt largely passed up during former operations.

Quinte and Trent Power Meeting Adjourned to 29th

From Our Own Correspondent

MONTREAL.—The meeting of bondholders of Quinte and Trent Valley Power Co., which was to have been held on December 15 has been adjourned until December 29.

Bondholders will be asked to waive interest payments on the 6 per cent first mortgage bonds from January 1, 1931, to July 1, 1932. They will also be asked to agree to waive sinking fund obligations on the bonds during 1930 and 1931.

Quinte and Trent Valley's difficulties date from the closure of the Canadian Paperboard Co.'s mills at Frankford and Campbellford in May 1930. The power company supplied the two mills with energy under contract in addition to supplying power to the Canadian Paperboard plant in Toronto.

At the forthcoming meeting it is announced that a quorum will constitute a majority of bondholders present or represented by proxies irrespective of the value of bonds held. A vote will be taken by a show of hands.

MUN. SERVICE OBTAIN CHARTER FOR NEW NAME

Some Progress Being Made Toward Consolidating Activities

From Our Own Correspondent

MONTREAL.—A charter has been granted to Municipal Service Corp. changing its name to Consolidated Utilities, Ltd. Capital structure of the new company consists of $200,000 first mortgage bonds and 8,000 shares of class "A" and 20,000 shares of no par common stock.

It will be recalled that Municipal Service Corp. ran into financial difficulties in 1929 and a reorganization was undertaken early this year. Former bondholders were given 20 shares of new class "A" stock for each $1,000 bond. The "A" shares are entitled to non-cumulative dividends at the rate of $2.50 annually. Preferred and common shareholders of Municipal Service Corp. received nothing.

The company operates several utility properties in Quebec and one in Saranac Lake, N.Y. Since the reorganization, several properties have been disposed of and holdings now comprise Amos Water and Power Co., a water works system at Val Morin, a grain and lumber business at Huntingdon and the Mountain Gas Co. at Saranac Lake.

It is reported that some progress is being made. It is intended to sell the Val Morin property in the future. The Mountain Gas Co. is the backbone of the consolidation. An extension to mains was made last fall and it is thought that under the new management this company should prove a revenue producer.

Amos Water and Power Co. is reported to be paying its way, while more profitable operation is anticipated in the future. The bonds of this company were underlying those of Municipal Service and when it was found impossible to redeem them on their due date, June 1, 1930, bondholders agreed to a three year extension with interest guaranteed by the parent company.

MORTGAGE DISCOUNT INCREASE NET PROFIT

Mortgage Discount Ltd. shows an increase in net profit for the fiscal year ended November 29, 1930, with $50,621 as compared with $49,636 in the previous year. Dividend payments totalled $46,123 and $3,964 was set aside for income tax leaving a surplus for the year of $534 to increase the surplus carried forward to $110,362.

Total assets of the company amount to $1,222,892 as compared with $1,194,494 in 1929. Current assets are up slightly to $31,758 from $29,189. Investments in mortgages and loans are up to $1,051,620 from $1,031,901 the previous year, there is $19,195 interest outstanding on mortgages and loans, and increase of $1,661, and real estate held is shown at $58,260 as compared with $52,879 last year. Furniture, fixtures and equipment amount to $7,680, subject to depreciation reserve of $5,620 or $940 lower than 1929, while deferred assets remain the same at $60,000.

Current liabilities have increased during the year to $216,845 from $193,211. Bank loans remain the same at $125,000 but bills payable have grown from $36,695 to $51,216; amounts due vendors of mortgages have increased $5,800 to $8,448. Sundry creditors are up $1,000 to $4,066. Preferred dividends payable amount to $23,062 and income tax provision at $3,973 is twice that of 1929. Unearned discounts are shown at $51,983 an increase of $4,200. There are 76,872 preferred shares of $10 par value, outstanding and 14,982 shares of no par common issued and fully paid up. In addition there is a block of 60,000 shares of common, issued in payment of sundry agency agreements which are carried as deferred assets. Surplus forward is $110,362.

Bwana M'Kubwa May Sell Some of Its Properties

The Bwana M'Kubwa Copper Mining Co. has received an offer from The Rhodesian Congo Border Concessions Ltd., for 550,000 fully paid shares of the latter company in exchange for certain outside properties now belonging to Bwana M'Kubwa.

The Rhodesian Congo Border Concessions has authorized an increase in the capitalization in order to carry out this purchase and also to acquire, on a share exchange basis, N'Changa Copper Mines, which it proposes to consolidate with the property for which it is negotiating with the Bwana M'Kubwa Company.

Shareholders of Bwana M'Kubwa will meet in the near future.

NOTICES

Financial Executive

Available for New Connection as

Treasurer, — Comptroller or General Auditor

Broad experience in U.S.A. and Canada in general financial matters, taxes, credits, budgetary control, modern costing, particularly with respect to standard costs, operating efficiencies, trend analysis, branch plant control, economies, etc. Sales Analysis, commissions, profit margins, commodity accounting, etc. Capable organiser. Location immaterial. Salary range $10,000 to $15,000. Negotiations solicited.

Box 248, The Financial Post, Toronto.

NOTICES

TENDERS FOR DEBENTURES

SEALED TENDERS addressed to the undersigned and marked Tenders for Debentures will be received until twelve o'clock (noon) Saturday, December 20th, 1930, for the purchase of $85,000.00 County of Peel debentures, bearing five per cent interest and payable in ten equal annual instalments as to principal and interest, issued under the authority of By-law No. 745, to pay fifty per cent of the cost of certain roads and bridges within the County for the year 1930. The County has requested Messrs. Long & Daly of Toronto to furnish it with a legal opinion upon these debentures which will be furnished to the purchasers of the debentures at the County's expense if and when issued. The lowest or any tender not necessarily accepted.

DAVID WILSON,
County Clerk,
Brampton, Ont.

December 9th, 1930.

$63,000.00 County of Middlesex 5% Debentures

Sealed Tenders endorsed "Tenders for Debentures" will be received at the office of the undersigned, up to 11 A.M. (Eleven) on Tuesday the Twenty-Third day of December, 1930, for the purchase of:

$63,000.00 County of Middlesex, Fifteen Year, Equal Annual Instalment Debentures, with 5% coupons attached payable half yearly on January and July the First and Principal payable January First, in each year.

These Debentures are being issued under Authority of the Highway Improvement Act Chapter 54, Section 14, R. S. O. 1927, as amended by 19, George V, Chapter 17 and By-Law Number 1227, dated December 6th, 1930, copies of which may be seen upon application.

Each Tender should state a rate per cent or a lump sum which the Tenderer will pay at par in London, Ontario.

The County will be at no expense for legal opinion or otherwise.
Delivery or conveyance of the debentures to be free of all expense to the County.
Printing of debentures only will be at expense of County.
The County does not bind itself to accept any tender.
The Assessment of the County is $51,045,045.00.
The Net Debenture debt is $842,790.49 exclusive of above issue.
The 1930 Tax Rate is Nine Mills.
The population is 42,239.

County Treasurer's Office, London, Ontario
December 13th, 1930.

T. E. ROBSON, Treasurer
County of Middlesex.

Christmas Cheques for Christmas Money

FOR those who give presents of money for Christmas to relatives, friends or employees, we have prepared a special cheque printed in Christmas colours, which will be found most suitable and pleasing for this purpose.

You will find a supply of these cheques for your use on the desks in each of our branches.

Money for Christmas is ALWAYS an acceptable gift.

The Royal Bank of Canada

THE CANADA NATIONAL FIRE INSURANCE COMPANY
Head Office: WINNIPEG
Toronto Office: 205 Brock Building
Walter J. Steer, Branch Manager
President, J. B. Coyne, K.C., Winnipeg, Man.
1st Vice-President, T. S. McPherson, Victoria, B.C.
2nd Vice-President, Allan S. Bond, Winnipeg, Man.
Applications for Agencies Invited

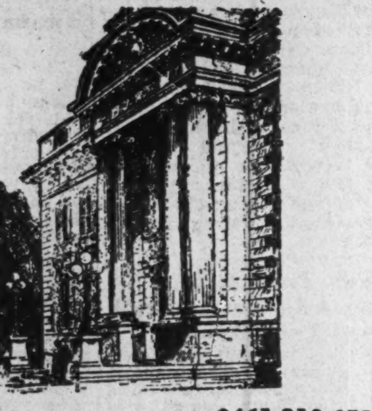
PROTECTION

The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost.

This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

ASSETS:
Reserves - - $36,372,031.45
Surplus - - 2,501,088.12

Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger
HEAD OFFICE: TORONTO, CANADA



Assurances in force (Dec. 31st, 1929) - - $461,310,653
Total Assets - - - 107,408,986
Surplus Earnings (1929) - 5,043,035
Offices and Agents in all the principal cities and towns in Canada.
THE **MUTUAL LIFE OF CANADA**
Head Office: WATERLOO, ONTARIO
Established 1869
R. O. McCULLOCH, *President.* W. H. SOMERVILLE, *General Manager.*

To Accumulate $10,000

Through Savings Invested at 5% Compound Interest would require an annual saving of $100.00 for over 35 years.

You Can Create an Immediate Estate of $10,000

Under our Guaranteed Maximum Protection Policy for an annual premium deposit of $158.50.
(Based on Age 30)

THE **MANUFACTURERS LIFE** INSURANCE COMPANY
HEAD OFFICE - TORONTO, CANADA

Banking and Insurance

TORONTO POLICE PENSION FUND TO BE REVISED

Council Appoints Committee of Actuaries to Make Report

Complete reorganization of the Toronto police pension fund with a view to placing it on a strictly actuarial basis has been ordered by the city council which has appointed a committee of three actuaries to submit a report which will provide for such change. The fund is reported to have had a deficit of some $3,000,000 at the end of 1929.

Professor M. A. Mackenzie, of the University of Toronto; Sidney H. Pipe, consulting actuary; and L. K. File of the Canada Life, have been appointed as the committee. The committee is requested to report on the annual contribution to be made bv the city which would establish the fund on a sound actuarial basis having regard for increases granted during 1930 to members of the police force, reduction of pensions under new scale, and gradual reduction in the number of pensioners. There are now 114 pensioners.

Cost is Prohibitive

The cost of continuing payment on the present scale of pensions and benefits or even to devise a plan based on a reasonably modified scale would impose a burden of cost upon both present members of the fund and on the city which would be prohibitive in the opinion of the civic finance commissioner and the city solicitor. It is advanced that if the fund is permitted to function on its present basis, its cash resources will be exhausted and the fund would be absolutely bankrupt within 20 years.

The city council has agreed to the recommendation that management and administration of the fund be controlled by a committee of seven members of which four would represent members of the Toronto police force, and other members would include a member of the board of control, the commissioner of finance and the city solicitor.

It is proposed that the pension of the chief constable be reduced from $4,458 to $3,000, and that of the deputy chief constable from $3,567 to $2,600. The chief inspector would receive $2,200 in place of the present $2,972; and inspectors $1,650 in place of $1,813. The pension of remaining classes of the service would remain as at present. Sergeants and detective sergeants now receive $1,397; patrol sergeants, $1,248; and constables, $1,159. Members in the last two classes with five badges would receive $100 more.

Life Companies Recently Elect New Directors

A number of appointments of new directors have been announced by life insurance companies within the past few weeks. Four recent appointments affecting three companies include the election of C. F. Sise, president of the Bell Telephone Co. of Canada, to the board of the Mutual Life of Canada to succeed J. Kerr Fisken, who has resigned. Major-General S. C. Mewburn, C.M.G., a director of the company, has been appointed second vice-president.

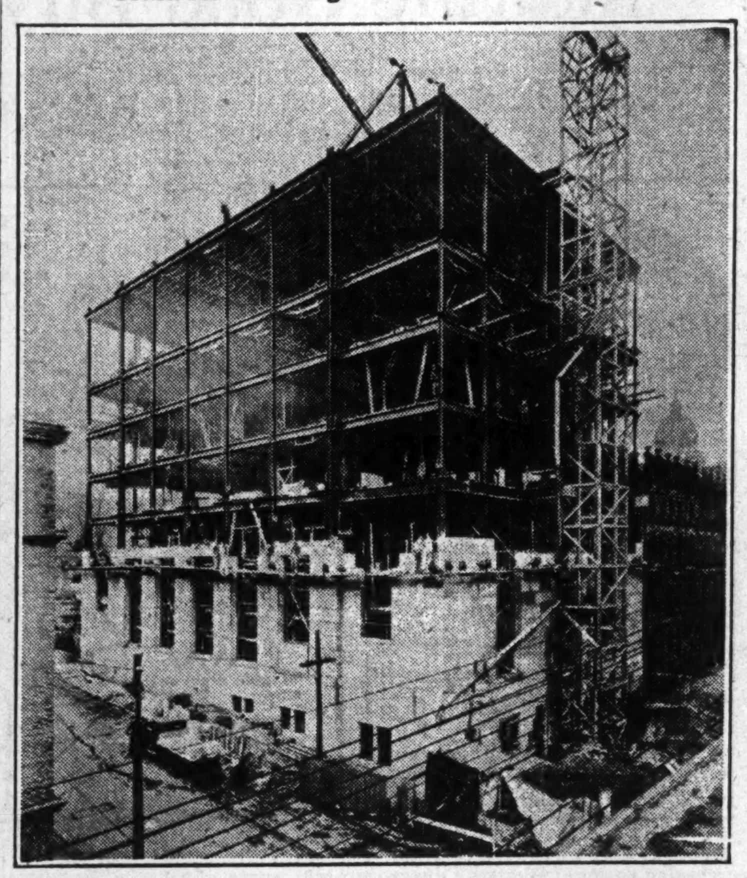
C. Llewellyn Jeffery has been elected to the board of the London Life as a shareholders' director, to succeed the late H. S. Blackburn. Mr Jeffery is a son of Joseph Jeffery, one of the founders of the company, and has had a long experience in banking.

Edward W. Bickle has been elected a director of the National Life Assurance Co.

Weekly Bank Clearings

	Dec. 12, 1929	Dec. 11, 1930
Halifax	$ 3,515,754	....
Saint John	2,386,209	$ 2,186,158
Moncton	1,273,782	863,751
Quebec	7,069,145	6,600,067
Montreal	144,281,979	112,940,975
Ottawa	9,067,283	6,691,146
Kingston	867,309	721,351
Peterboro'	873,351	931,429
Toronto	127,367,646	101,425,294
Hamilton	7,572,122	5,164,046
Kitchener	1,447,700	1,283,722
Brantford	1,622,128	1,155,578
London	3,311,733	2,932,045
Chatham	910,772	737,243
Windsor	5,473,040	3,066,301
Sarnia	847,832	612,588
Sudbury	1,141,485	939,494
Fort William	$ 915,744	$ 982,040
Winnipeg	68,958,715	39,684,634
Brandon	595,126	478,480
Moose Jaw	1,276,188	928,432
Prince Albert	521,135	409,662
Edmonton	6,974,127	5,838,390
Calgary	13,045,275	8,942,391
Medicine Hat	464,328	298,054
Vancouver	21,463,247	16,581,454
Victoria	2,796,172	2,193,569
Regina	....	4,618,131
New Westminster	803,771	771,296
Saskatoon	2,667,220	2,217,505
Lethbridge	481,187	677,650

Halifax Banking House Rises Rapidly



The fine new banking and office building of the Bank of Nova Scotia at the corner of Hollis and Prince Streets, Halifax, is now well under way as may be seen by the photograph which was taken a week or two ago.

Canadian Life Companies Have Made Contributions To Recognized Practice

Leighton McCarthy Addresses Life Presidents' Association

IS SIMILAR TO U. S.

Speaks in New York on "Some Aspects of Canadian Life Insurance"

While Canadian life insurance has followed British traditions in its development, successful methods in United States practice have been adopted and during recent years Canadian and United States companies have progressed together. At the present time there is little fundamental difference between the two countries in carrying on the business of life insurance according to Leighton McCarthy, president of the Canada Life Assurance Co. in addressing the annual convention of the Association of Life Insurance residents in New York recently on "Some Aspects of Canadian Life Insurance."

While Canadian companies have been willing to adopt the best methods in practice in other countries, they have also evolved several distinctive features for themselves according to Mr. McCarthy. These contributions include the writing of non-medical insurance on ordinary policies, the unconditional policy, institutional advertising and the organization of foreign branches.

Have Contributed

Mr. McCarthy's remarks regarding these innovations by Canadian companies were as follows:

"The Canadian companies pay tribute to the progressiveness and broadmindedness of the executive officers of the United States companies, who have, from time to time, conferred on their policyholders advantages and benefits previously undreamed of, and through whose good offices the contracts of the Canadian companies have been broadened and made more attractive and valuable. Sight must not, however, be lost of the fact that the Canadian companies have also a share in this forward movement, for, in 1921, five Canadian companies commenced the writing of so-called non-medical insurance on ordinary policies, a practice which has now been adopted generally by the life companies of Canada, and, to a certain extent, by those of the United States.

"Another contribution, I believe, by Canadian companies was the 'Unconditional Policy' issued by the Sun Life Assurance Co. in 1880. This was the first contract of its kind in the world, although the Standard Life of Edinburgh at that time had a policy called the 'World Wide Policy,' which was practically free of conditions, but was issued only to specially selected risks.

Institutional Advertising

"Another aspect of life insurance which can claim to be of purely Canadian origin is that known as 'institutional advertising.' This plan was described at the recent International Convention of Life Underwriters by J. F. Weston, managing director of the Imperial Life Assurance Co., in the following words:

"'The term as it applies to the campaign we have been carrying on during the last ten years means the advertising of the institution of life insurance and not of any particular company. The scheme is based on recognition of the fact that the remarkable growth in life insurance and the general success of the companies engaged in it is convincing evidence that the public regard life insurance as a vast system possessing tremendous strength, each established unit of which can be relied upon to fulfill its contract.'

"Another aspect is the foreign business. As the growth of our population was slow, it had the effect of influencing the extension of the Canadian companies into foreign fields. I find that, as early as 1879, our Canadian companies were in the foreign field. There has been a variation of opinion as to the countries selected for the extension of their business, and in some cases only English-speaking countries have been entered. The fact, however, that the foreign business of the Canadian companies has been established so long, and is still being increased, speaks for the satisfactory experience obtained, and today Canadian life insurance companies' contracts are being sold under direct Canadian auspices in upward of forty countries of the world.

Alert Agency Force

"Canadian companies and their foreign branches, including Great Britain, without attempting to break down the existing channels in each country through which insurance has been placed in the past, have adopted the policy that insurance must be carried to the people, and the best way to do so, as the United States companies have so fully proved to the world, and as we also have found, is by an alert and well-informed full-time agency force. The average amount of life insurance per head of the population in all countries, even on the continent of America, is still far too small, a very large proportion having most inadequate protection and a great number none whatever. The value of life insurance is being more and more fully realized as it is explained by well-trained agents."

Mr. McCarthy outlined briefly the start of the life insurance business in Canada and some of the difficulties which it had to overcome. He touched on the system of government supervision and restrictions on investments of life insurance companies. In concluding, the speaker drew attention to the fact that at the end of 1929 the net amount of life insurance outstanding in Canada was some $6,500,000,000 with a population of approximately 10,000,000 and that when the same amount of life insurance was outstanding in the United States in 1898, the population was some 78,000,000. Despite the great success achieved by United States companies, it was pointed out that Canadian companies had made a most gratifying showing.

Canada Had 4.5 p.c. Of World Insurance

Life Insurance in force throughout the world amounted to $136,000,000,000 at the end of 1928, a net increase of $12,000,000,000 over 1927. Of the 1928 total, 70.9 per cent was carried by United States companies. Canadian companies carried 4.5 per cent of the total, and 85 per cent of the world's life insurance is represented by English-speaking countries.

With only six per cent of the world's population and 35 per cent of the world's wealth the percentage of life insurance in the United States to the whole is double the United States percentage of the world's wealth.

European and South American countries showed the greatest increase in life insurance business written during 1928 with Poland leading the world with an increase of 69 per cent. Hungary was second in Europe with a gain of 31 per cent, while Brazil and Argentina increased 41 per cent and 37 per cent respectively.

Many Banks Adopt Plates To Introduce Branch Staff

Canada's army of branch bank officials, numbering probably about 15,000 are gradually all being supplied with name plates.

This is not a very new development to be sure, but it is one that has gained tremendous impetus of late in the modern trend toward placing the relations of a bank and its clients on a more personal basis. Along with the gradual removal of the formidable cashier's cage, the clients of a bank are thus, day by day, being encouraged to get acquainted not only with the manager of the bank but also with the accountant and the teller and even the ledger-keeper.

Only a few weeks ago the Bank of Montreal placed a large order with a Toronto concern to supply them with between one and two thousand of these name plates to be distributed to officers of the bank's branches from coast to coast. This is probably the largest order of its kind ever placed at one time in Canada, and comes as the result of one firm having spent many years in perfecting one particular type of name plate which will shortly appear in these Bank of Montreal offices.

Name is Removable

The particular virtue of these name plates is that they are not only inexpensive but are so constructed that the official's name can be removed from the frame in case he is moved to another branch, and as the frames are all of standard size, can be inserted in the empty frame, which will await him when he arrives at his new appointment.

One of the first banks to adopt the personal name plate idea was the Dominion Bank. A clipping from The Financial Post of May 4, 1923, reveals the fact that "Small attractive signboards giving the names of officials in various departments have been adopted in the head office branch of the Dominion Bank. They are proving such a satisfactory innovation from the standpoint of the bank's customers and the members of the staff that the idea will probably be extended to the bank's other large branches."

Perhaps the only criticism that has ever been levelled at this scheme for introducing members of the bank staff to the bank's clients, is that it makes it easier for a would-be hold-up artist to take the teller off his guard by calling him by name. Apparently, however, according to bank officials, this is far from the truth, for if his name is displayed in front of the cage, the teller becomes accustomed to clients calling him by name, whereas if his name were not there and a burglar were to call him by name there is much more possibility that he might be taken off his guard for a minute.

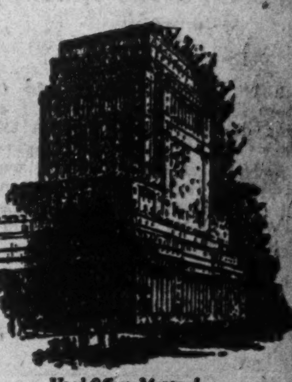
"We've got to start to Save!"

How often the words are uttered—how often the wish fails to harden into a definite resolve for lack of a workable plan.

Life assurance instils regular and systematic habits of thrift into those who lack the will-power to save. It is a constant brake on families that spend too freely. It establishes a permanent plan of orderly economy, the need of which heads of households often realize but are unable to enforce.

A Sun Life of Canada Endowment Policy provides a practical plan for utilizing small regular savings to confer a double boon — present protection for the home and family and a permanent and profitable investment of unsurpassed security.

The Sun Life of Canada has an appropriate plan to cover every need.



Head Office: Montreal

SEE A SUN LIFE MAN

SUN LIFE ASSURANCE COMPANY OF CANADA

Insurance Inklings

B. Cloyne Higgins has been appointed manager for the Province of Nova Scotia by the Great West Life and will leave for Halifax at the first of the new year.

The London Life has donated $1,000 to the University of Western Ontario to be used in medical research. It is stated that the fund will be used chiefly for research work in the study of chronic uraemia. The donation is the largest private gift as yet received by the university for medical research work.

Hugh McCullough has been appointed a director of the Gore Mutual Fire Insurance Co. to fill the vacancy caused by the death of the late C. R. H. Warnock. Mr. McCullough is vice-president of Babcock-Wilcox and Goldie McCullough Co. of Galt.

H. E. North, third vice-president and manager of the Metropolitan Life Insurance Co. of Canada addressed the Ottawa division of the Canadian Life Underwriters' Association at the recent monthly meeting. The Ottawa division now has over 104 members.

The Montreal Life Insurance Co. reports the amount of business written during November was $640,360 and the business issued amounted to $581,007.

Plans are now under way for the annual meeting of the NATIONAL FIRE PROTECTION ASSOCIATION which will be held in Toronto during the week of May 12, 1931. Toronto members of the association are planning a number of special features.

The Imperial Life Assurance Co. has announced the opening of two new branches in the United States at the first of the year. The new branches will be located at Los Angeles, California, and Syracuse, N.Y.

E. J. L'Esperance, who has been manager of the company's Montreal downtown branch, has been appointed manager of the new branch at Los Angeles. He is well known in life insurance circles as both an able manager and a leading personal producer.

C. H. CROOKS, senior accountant in the main office of the Royal Bank at Edmonton has been appointed assistant inspector in Alberta with headquarters in Calgary. Mr. Crooks has been manager of the Edmonton clearing house for the past year.

A. W. McEWAN has been appointed acting manager for the Bank of Nova Scotia at Morant Bay, Jamaica, succeeding W. RICHARDS who has retired.

FIRE·MARINE·AUTOMOBILE·ACCIDENT·SICKNESS·BURGLARY·GUARANTEE
BRITISH EMPIRE ASSURANCE COMPANY
HEAD OFFICE TORONTO

The GREAT-WEST LIFE ASSURANCE COMPANY
HEAD OFFICE -- WINNIPEG
Assets Over $120.000.000
Insurance in force Over $600.000.000

FINANCIAL SECURITY
A Monarch Life Insurance policy will protect your family or make your own future financially secure. Rates are low and profits liberal. Write for particulars.
The Monarch Life Assurance Company
Good Openings for Salesmen — Apply, Head Office — WINNIPEG

THE ONTARIO LOAN AND DEBENTURE CO.
LONDON 59 Years in Business CANADA
Capital, $2,000,000 Reserve Fund, $3,000,000
The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.
Money loaned on First Mortgages, including building loans. Applications invited.
A. M. SMART, *President.* T. H. MAIN, *Manager.*

Operating in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.
FIRE AUTOMOBILE WINDSTORM
Insurance in force $180,000,000.00
Assets over 2,700,000.00
Agents required in Ontario.
Write 410 Manning Chambers, Toronto.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

PRUDENTIAL
ASSURANCE COMPANY LIMITED, of LONDON, ENGLAND
ESTABLISHED 1848
Assets Exceed $1,000,000,000 — Licensed For Life, Fire and Casualty Insurance — Investments in Canada exceed $35,000,000
Head Office for Canada—Dominion Square Building, Montreal
WESTERN BRANCH: Huron & Erie Building, Winnipeg

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA: HAMILTON, ONTARIO
Writing Fire and Automobile Insurance at Cost
Assets $4,784,342.81
ALL POLICIES NON-ASSESSABLE
Paying Dividends ranging from 25% to 40%
BRANCH OFFICES:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, Saint John, Halifax and Charlottetown

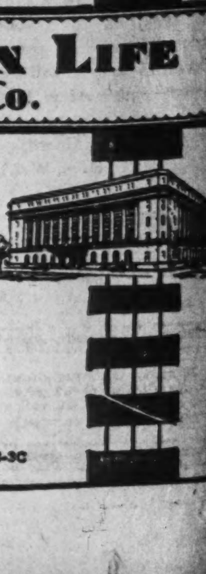
A Gift to Youth

GIVE the boy or girl a savings bank book of his or her very own.
Small accounts of the teen age are welcome at this Bank as we are glad to encourage the habit of thrift at the age when lessons are easily learned—
A savings account may be opened with a deposit of $1.00 or upwards. 423
IMPERIAL BANK OF CANADA
HEAD OFFICE · TORONTO

METROPOLITAN LIFE INSURANCE Co.

The Giant and the Pygmy

How dramatically this simile portrays the relation of the common cold to serious illness! If you have not seen the current Metropolitan Welfare advertisement we suggest that you write for "Just a Cold? Or"—a very interesting booklet, free on request to Dept. F12.



CANADIAN HEAD OFFICE OTTAWA, ONT. 8-30

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For CHRISTMAS
"There Is Nothing Finer Than a Stromberg-Carlson"
A magnificent gift that will thrill and delight the whole family for years to come—and an inexpensive gift considering the solid and lasting satisfaction possession of this finest in radio affords.
The No. 14 Multi-Record Radio is a magnificent radio phonograph equipped with an almost human mechanism for the changing of records automatically. Capacity twelve records—ten or twelve inch. Uses ten tubes. Automatic Volume Control. Genuine Walnut Cabinet. Scarcely larger than a radio alone. Price, less tubes........ $845
Easy purchase terms make this superb instrument easy to own out of even the most modest income.
Listen to the Stromberg-Carlson Hour Monday Evenings in a Coast-to-Coast Broadcast over the N.B.C. Blue Network and Associated Stations.
WENTWORTH Radio & Auto Supply Co. Ltd.
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Phone 4280
ST. CATHARINES
261A St. Paul St.
Phone 4342
WENTWORTH Radio & Auto Supply Co. Ltd.

Loblaw Groceterias Is Increasing Buying In British Empire

Searching For Best Markets is Practical Demonstration of Possibilities of Trade Between Nations Under Union Jack

SEE PRICES LIKELY TO REMAIN LOW

General Decline Throughout World, Buyer Finds; Even When Crops Not Short Competing Commodities Force Lower Levels to Advantage of Consumers

Loblaw Groceterias Co., facing a period of lower prices which it expects to last for years, has instituted policies which its directors and chief officers believe to be not only of advantage for its own future but which are believed to be a direct contribution to the acceleration of those agencies making for better times.

It is doing more buying of Canadian foodstuffs than ever before, it is switching its foreign purchases where it can be done at favorable prices to British Empire sources, and it is selling at bargain prices all those food products which have been over-produced in Canada in order to induce consumers to take up the excess as quickly as possible and so restore regular conditions.

Dealing with the sale of foodstuffs to the general public, the company's employees are in instant, direct contact from minute to minute of every-working day with the public that buys and they know from actual experience what that public demands both in price and quality with regard to all the commodities on display. On the other hand, the company's buyers search in every country of the world to get those foods at a quality and price which will permit the retail stores to meet the wishes of customers. All this information has to be collated from day to day in the head office where actual conditions and trends in taste and buying have to be recognized instantly as the expenditure of huge sums has to be based on the judgment of those directing affairs.

Advancing Empire Trade

With these thoughts in mind a representative of The Financial Post has just interviewed J. Milton Cork, vice-president in charge of merchandising for Loblaw Groceterias Co., and Herbert M. Cowan, chief buyer. From those conversations certain things have emerged with appear to be of significance beyond their application to the affairs of this company and of its security holders.

Five points are outstanding in the mind of the interviewer as a result of his talk with Mr. Cork and Mr. Cowan. They are as follows:

1. While politicians in various parts of the British Empire have been talking a great deal of the possibilities and general desirability of greater trade within the Empire this company (to talk of the only one which has been studied by The Financial Post in preparation of this article) has switched its buying of foreign products to Empire sources in an increasing degree during recent years wherever it could find equal advantage in price and quality. It has thus proved in its own case that the possibilities of development in this way are great. Possibly a census of various merchandising establishments would show that Canadians are getting more Empire goods than ever before.

Reducing Surplus Products

2. This company—and advertisements suggests that other merchandising establishments are moving in the same direction—has of set policy decided to make available for the consuming public at the smallest possible margin of profit, and in some cases at cost, goods or products which are greatly in excess of consumptive requirements. The idea is that the general public, seeing prices which are reminiscent of the cheap days of the 90's, will quickly take up the foods thus offered, bringing about in the only sound way possible a normal situation where the producer can once again produce at a reasonable profit to meet the expected demand. This will probably entail buying in large quantities of such foods as beans, honey and cereals.

Lower prices have proved all through the ages the most effective method of dealing with surpluses which would prove otherwise unmanageable.

Maintaining Wage Scale

3. The company has intimated to its employees that, though a drop in the cost of living might possibly justify a lowering of wages in line with the declining prices of most articles sold, it will not institute such a policy unless events make it appear necessary. They therefore suggest to employees the advisability of each striving to make his work more productive for the company in order to justify the continuance of present wage scales. It is also the feeling of those at the head of the company that the return of good times will be hastened in so far as the generality of companies can keep salaries and wages at old levels, declining prices placing more buying power progressively in the hands of employees which should make for greater stability when the depression is over. This, it will be noted, agrees to some extent with the idea of Henry Ford that industries should keep up wages so as to preserve that buying power which is the basis of every prosperous era. Mr. Cork, however, adds that self-preservation is the first law of companies as of individuals and that it would not benefit shareholders, employees or anybody else if the present rates of wages were maintained at the expense of successful operation.

Securing Return Loads

5. The spread of chain stores is having one effect of great benefit to Ontario. In order to make as economical as possible the distribution of goods to its various chain grocery stores in the Niagara Peninsula, West to Guelph, Brantford and elsewhere, and out East through Ontario to Peterborough, Trenton and Belleville, the company has studied very intensively the question of securing return loads so as to cut down overhead. On the out trip the trucks deliver to the branch stores, and then on the return trip take in various food manufacturing establishments in the smaller cities and return with products which will also be distributed to Ontario consumers. In this way the company is giving a fillip to consumption of Canadian-grown and manufactured goods and using city buying power to help the county areas.

Low Prices Are World Phenomenom

From Mr. Cork the interviewer learned that present prices are for most products much below last year's levels with no immediate prospect of a rise, and from Mr. Cowan, who buys for the company the world over that the Canadian situation is being duplicated in practically every market on the six continents of the world.

The lower prices do not only apply to food commodities which have been produced in too great quantities for ordinary demand such as wheat, sugar, coffee, raisins, prunes, beans, peas, honey, but to other products which have fallen in sympathy with the declining purchasing power resulting from so many being thrown out of employment in various countries and from so many others lowering their cost of living voluntarily because of loss of confidence and speculative losses. These lower prices Mr. Cork believes, can be expected to continue for some years at least.

Buying Butter from West

"The decline slows up capital expenditures," said Mr. Cork. "For instance, last year we heard a great deal of the fact that United States dairy farmers were coming into Canada and buying some of our best cattle. But those cows were bought when butter in the United States was from 10 to 15 cents a pound dearer than in Canada.

"Last winter in the United States there was the greatest over-production of canned milk they had ever had. One effect was to make milk very cheap in certain sections of the United States and that led to the making of butter in such quantities that butter is now not far from the Canadian level. United States farmers are therefore no longer seeking to buy high-grade dairy cattle from Canada both because the price does not make further capital expenditure advisable and because they are not able to pay the high prices they paid a few years ago. Butter in Canada sells for from 12 to 15 cents a pound less than a few years ago. We all know that even greater supplies relative to population are in New Zealand and Australia above local requirements, and this has led to changes in the Canadian tariff.

"In any case the company had been helping the Western provinces by using many carloads of buttter. The company takes into its warehouse seven carloads of butter a week. With imports of Australian and New Zealand butter curtailed as a result of the higher Canadian customs duties, purchases of Canadian butter should greatly increase in the future."

Switching Buying to Empire

"Even with regard to imports from California," said Mr. Cowan, "prices of California canned fruits and prunes are very reasonable. Raisins are still low in spite of the fact that the California Government takes definite measures to keep the price up artificially and that they come in over a 3-cent duty into Canada. Yet we have been shifting our buying to Empire sources as far as we could do it without penalizing the consumer or putting us at a disadvantage in being able to offer attractive prices to the consumer. The bulk of our currants come from Australia and all of our Sultana raisins. We received ten carloads of dried fruits from Australia just recently. We try to buy everything which we can possibly get, if it is not grown or produced in Canada, from the British Isles or the British Empire. We get large amounts of raisins, for instance, from South Africa as well as from Australia. We get dried apricots in large quantities from South Africa as well, and are now buying from that source almost to the exclusion of California."

Refrigerated Sea Vessels Needed

"Yes," interjected Mr. Cork, "while there is lots of talk that Canada should trade with the Empire we are actually doing it and most Canadians do not realize how much. In fact, it is getting to the point where ocean vessel refrigeration is almost a necessity. We have to buy in quantities but it would be better if purchases could be made from distribution warehouses in Vancouver, Toronto and Montreal as needed, and it would be good to have refrigeration to eliminate the danger which a trip across the Equator is to any perishable goods which are not properly protected. At the present time the company re-cleans all fruits which come across the Equator simply as a matter of precaution before they are passed on to the consumer."

Rice is Cheaper

"Rice is another commodity which is becoming cheaper," continued Mr. Cowan. There is no over-production as is the case with wheat but the market has nevertheless dropped in sympathy with declining demand and the lower prices of other cereals which to a certain extent compete with it. All varieties share in the decline.

"Oranges were cheap two years ago. Last year prices were higher on account of a short crop. The prospects for the season which is just starting are for adequate supplies at reasonable prices.

"Removal of duties on tea at the spring session of the Dominion Parliament, together with a declining market, has caused a reduction of upwards of 10 cents a pound in this commodity though the duty removed was only 7 cents a pound.

"French walnuts are scarce and extremely high. Almonds from Spain have reached a very low point. Olives, which also come from Spain, may possibly be higher as there was only a half crop this year. Manchurian walnuts will come into the Canadian market in greater quantities this season at good prices and may be scarce yet.

Canadian Jams Excel

"Jams and marmalades from Great Britain have been shut off in great part as a result of the degree of perfection attained by Canadian manufacturers, but some Scotch marmalades still come through. Sardines from Norway are maintaining their price level. Dates from Mesopotamia are about 2 cents a pound cheaper this year. Figs from Smyrna in Asia Minor are cheaper. Cocoanut is a little cheaper. Pineapple from Singapore is as cheap as I have seen it at any time since I have been in the business. Peanuts are down for lack of the usual buoyant market.

"Consider the small country of Java. It may surprise you to know that that comparatively small country has about 35,000,000 people in it. It is a fertile country but practically every one of its chief products are at unremunerative prices as a result of over-production: coffee, rubber, sugar, are examples. In brief, it represents the world situation.

"Canadian cheese prices are down in sympathy with other dairy products. Roquefort cheese is inclined to be a little higher in price. Swiss cheese is a shade lower. Imports from France are low, only walnuts and Castile soap. Italian cherries are considerably higher.

Canned Vegetable Prices Lower

"Canned vegetables are lower due to one of the largest packs of peas on record; we are selling peas at two cans for 15 cents whereas last year they sold for 12 cents a can. As soon as Campbell Soup Co. has erected its Canadian factory and goods are produced on this side of the tariff wall, we expect that prices will be cheaper.

"We are large handlers of Canadian lobsters. Prices are well maintained in spite of a reduced demand from Great Britain. Crab-meat in Canada does not sell to one-third the extent of lobsters. The price is lower than last year.

"The tomato crop was so enormous this year canners ran out of tins. Frost this year was unusually late and so all the tomatoes of Ontario growers ripened up. Potatoes, apples, beans and eggs are all plentiful and average low in price.

"Cornmeal is no cheaper because there was a short crop in the United States of corn. Canned corn, however, cannot go up because it is affected by the cheap competition from canned peas and tomatoes. There are practically no raspberries and strawberries packed and other canned fruits such as peaches and cherries are plentiful and will be very cheap. The No. 2 squat tin now being introduced, considerably smaller than the ordinary 2, will be somewhat confusing to the buyer for awhile.

"Small independent canneries have had to unload and are selling way below the cost of production. Cheaper sugars have been a help to the canner."

Warehouse is Efficient

In the Loblaw warehouse at Toronto, no mechanical device or aid which can speed up distribution through the building or into cars is omitted. All goods are loaded on skids so that trucks can pick up large loads at lightning speed, rush them to their destination on any floor of the building. Mono-rails criss-cross the great assembly room, large suspended trucks pass along them around the areas where goods are piled and trucks are loaded many times as quickly as human hands unaided could perform the operations.

All these devices mean more economical operation. The company saves in the neighborhood of $50,000 a year alone because of the fact that it is beside the car tracks and that lines run into its building. The saving amounts to from $12 to $15 a car in unloading and trucking charges and the company receives into its warehouse and unloads as many as 12 to 15 cars daily. Even counting the charges on capital invested in the new building, the company already saves much more on operations than before the move.

Marcus Loew's Declares Half-Year Pref. Dividend

Directors State New Entertainment Policy is Bearing Fruit—Save $200,000 Annually—Concentrating on High Quality "Talkies"

Directors of Marcus Loew's Theatres have declared a half-year's dividend on the $653,900 of 7 per cent preferred stock of $100 par value, payable Jan. 15, 1931, to shareholders of record Dec. 31, 1930. This is a quick reversal of form from the situation which led the same directors at the end of June to pass the semi-annual dividend due July 15 in order to conserve cash while the business situation was uncertain.

The directors still feel that they would be justified in deferring the declaration of any further dividends at this time so as to conserve assets and build up a cash surplus against possible contingencies in a time of general business depression and consequent unemployment. But the situation has changed so materially in favor of the company as a result of the new entertainment policy eliminating vaudeville and orchestra and the new booking contract with Metro and other New York interests for receiving high quality presentations that the present dividend has been paid.

Will Make Large Savings

No statement is made as to future policy, the directors simply stating that they felt that "as the dividend had been earned it should be paid, not only for the benefit of the shareholders themselves but to assist in promoting a feeling of optimism so much needed at the present time." They further state that a continuation of the supply of outstanding attractions is assured.

The vaudeville and orchestra features eliminated entailed costs to the company of about $5,000 weekly, or $250,000 annually. The new attractions arranged for cost more than formerly but the saving is still in excess of $200,000 a year, or more than four times the amount necessary to pay preferred dividends. During the year bank loans have been somewhat reduced and 6 per cent first mortgage bonds have been brought down by $43,000 to a total of $172,000.

Companies Act Permits Dividends from Capital

Dangerous Possibilities Exist in Hastily-Conceived Legislation Now on Dominion Statute Books

By GOOSE-QUILL

The new Dominion Companies Act is proving, in its actual working, to contain some very dangerous possibilities. The act apparently permits directors by careful juggling of accounts, to pay dividends out of capital. Experts in accountancy are worried by the weaknesses that have been shown to be present in the new Companies Act and feel that it does not give sufficient protection to investors.

There are the legal associations in Canada as well as bodies of chartered accountants and the legal and commercial faculties of our universities. Were they all consulted and given full and ample time to consider the proposed amendments? They are the experts and it is their business to study the effects of company legislation. Parliament should have had the best advice available in Canada. One asks if some of them were simply ignored, whilst others were only asked at the last minute when it was impossible to give the matters proper consideration. Hasty legislation is a very dangerous thing, and especially so if it affects the finances of public companies.

Common Stockholders' Share

The new Companies Act (30th May, 1930) is producing some interesting situations, and especially with regard to transactions in no par value shares. No par value shares represent an interest in the whole or a section of the net assets of a company, which interests is measured by a fraction, and not by a nominal face value of say $10, or $100.

Take a balance sheet such as the following:

Assets	
Assets	$1,100,000
	$1,100,000
Liabilities	
Liabilities	$ 400,000
Preferred capital	100,000
Ordinary capital (no par value shares)	500,000
General reserve (unappropriated profits)	50,000
Surplus	50,000
	$1,100,000

If the preferred stock is preferred as to capital and all dividends to date are provided for, the balance belongs to the ordinary no par value shares. If the surplus of $50,000 were paid out in dividends to the ordinary stockholders their share in the business would be valued at $550,000. If there were 50,000 no par value shares each one would have one-fifty thousandth of this balance or $10 capital originally contributed for each share, and one-fifty thousandth of that portion of the surplus appropriated to the general reserve which would be an additional $1, making a total of $11.

Should be Capital

Up to this year the general rule was for the original amount paid by each holder for his no par value share to be credited to capital, and, as such, to be regarded part of the funds necessary as a permanent investment for the carrying on of the business. But the new Dominion Companies Act throws the door open for a portion of this to be treated as distributable surplus, and, furthermore, this may be made retrospective. Provision is made that if the consideration for no par value shares is not settled by the letters patent or by-laws, it may be fixed by the board of directors; and in fixing this consideration, if they are ordinary shares, the directors "may provide that a part thereof may be set aside as a distributable surplus." There is no statutory limit to this amount that can be credited to surplus, and distributed to all of the shareholders in dividends.

In a concern with a balance sheet, such as is given above, one would expect applicants for a further issue of ordinary no par value shares to pay at least $11 per share, of which $1 could be regarded as surplus, to be appropriated or distributed as the directors thought fit. They might in addition pay a further premium of $1 for obtaining shares in a prosperous concern. But one wonders what there is to prevent the directors from crediting say $5 to capital and $7 to distributable surplus. There is provision that the amount of the consideration, to be set aside as distributable surplus, must be started in prospectuses issued, but this can be done quite well without attracting too much attention to it.

Manipulation is Possible

Most boards will make use of this section in the best interests of the company as a whole, as the law requires of them, but there are some who might not. The manipulations of profits possible by means of this could be very serious. There should be some automatic check. The simplest would be to provide that "the amount at the credit of capital for each share of a new issue of ordinary no-par-value shares shall always be a sum equal to the total standing to the credit of the capital account of shares of the same class, less any losses not yet written off, divided by the total number of the shares." The phrase "amount at the credit of capital" is used because the company might have had losses of capital, which have been written against capital account, or are awaiting disposal, and one could not reasonably insist on the new shareholders' contribution of capital per share being greater than the interest in the existing capital of each of the original shares of the same class. Anything extra that the new shareholders pay in the consideration for the new shares could be credited to a distributable surplus account.

Determining the Surpluses

Let the following be the balance sheet of a concern, which has made losses, and had its capital reduced from $10 to $8 shares, but is now making profits:

Assets	
Assets	$750,000
	$750,000
Liabilities	
Liabilities	$300,000
Ordinary capital (50,000 n.p.v. shares at $8)	400,000
Distributable surplus	50,000
	$750,000

A new issue might be for $10 per share, of which $8 would be credited to capital, and $2 to distributable surplus.

There would have to be an exception to this rule because of a situation, which might easily arise in a company which has been running at a loss. The existing ordinary shareholders wish to deal with it themselves, and for that purpose agree to take up a new issue of ordinary no par value shares, with as little outlay to themselves as is possible, but with premiums large enough in total to take care of the accumulated loss. To cover this, it should be laid down that the provision suggested above should not apply to issues which, by agreement among themselves, are to be taken up entirely by existing shareholders, who agree to pay a premium for the purpose of disposing of an old loss. Under this proviso, let the following were the balance sheet of such a concern:

Assets	
Assets	$600,000
Accumulated loss	200,000
	$800,000
Liabilities	
Liabilities	$300,000
Ordinary capital (50,000 n. p. v. shares at $10)	500,000
	$800,000

The shareholders could agree that for each share held another is to be taken up, the consideration being $6 per share, of which $2 is to go to capital and $4 to surplus. This would result in the following balance sheet:

Assets	
Cash	$ 200,000
Original assets	600,000
Accumulated loss	200,000
	$1,000,000
Liabilities	
Liabilities	$ 300,000
Ordinary capital ($500,000 + $100,000) (100,000 n.p.v. shares)	600,000
Surplus (premiums)	200,000
	$1,000,000

The loss would then be written against the surplus built up from the $4 premiums. However, it should be only possible to set aside such a large portion of the consideration of no par value shares as surplus, when the original shareholders only are concerned, and where there is a loss of which to dispose.

Not All Capital Now

It is probable that most owners of no par value stock think that the money they paid for their shares a few years ago was all capital; but they may find themselves corrected. The new act provides that in the case of no par value shares issued before the date of the coming into force of this act, without there having been made, on or before issue and allottment, a declaration that any specified proportion of the consideration shall be capital, the directors may at any time pass a by-law declaring that a specified portion of the consideration for any such shares shall be capital—and, evidently, the remainder distributable surplus. This by-law must be sanctioned by a two-thirds vote at a special shareholders' meeting, and the secretary of state must be "satisfied of the expediency and bona fide character" of the by-law before granting supplementary letters-patent. In other words, if certain statements and records made at an issue of no par value shares several years ago are sufficiently vague, a portion of the money contributed may be distributed as dividend. There is the check of the special shareholders' meeting and of the secretary of state; but it is throwing a great responsibility on the shareholders and secretary of state, and, provided that a sufficiently plausible case is set up, it is probable that most schemes would pass.

Up to Secretary of State

How many companies are there in Canada today that have made little or no profit in the financial periods just closed, and have no reserves or profits, but intend to avail themselves of this section in order to pay a dividend out of what most people have hitherto regarded as their capital? It is difficult to see how this makes for sound finance, and it is imperative that in such cases the secretary of state should assume that all contributions for past issues of no par value stock were intended to be capital, unless there is absolutely overwhelming evidence to the contrary.

The act also provides that a by-law may be passed by the directors "approving the consideration received for and confirming the issue of any such shares which were issued for a consideration not fixed in accordance with the provisions of this act." This also requires the sanction of the shareholders and approval of the secretary of state as above. Here again, there only seems to be required a plausible scheme, and a pliable meeting of shareholders, and the secretary of state might have an immense responsibility, in fact, a very unfair one.

The wording of this sub-section seems obscure to the layman, and one wonders whether it could not have been made much clearer. Certainly, the old safeguard for the creditors of a company was clear enough. "The company shall not commence its operations or incur any liability before ten per cent of its authorized capital has been subscribed and paid for." But that has been entirely repealed in this new act. One would like to have all the reasons why this was done.

One also wonders as to the authorities that were consulted before these changes—dangerous changes, some think—were made.

Neon Products Western Pays 25 Cents on Common

The initial payment on common shares of Neon Products of Western Canada was declared in Vancouver December 16. The payment will be 25 cents and is in the nature of an interim disbursement to be paid December 20 to shareholders of record December 10.

President J. D. Malkin expressed the hope that the stock could be put on a permanent dividend basis after the end of the company's fiscal year, April 30.

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Electric Power *makes* Buying Power

QUEBEC'S great hydro-electric power plants ::: now producing two million horse-power annually ::: pour great streams of buying power into Quebec City ::: at the heart of this industry.

They pay twelve million dollars a year in salaries and wages to executives and employees. They spend fifty million dollars a year for new construction ::: including both materials and labor.

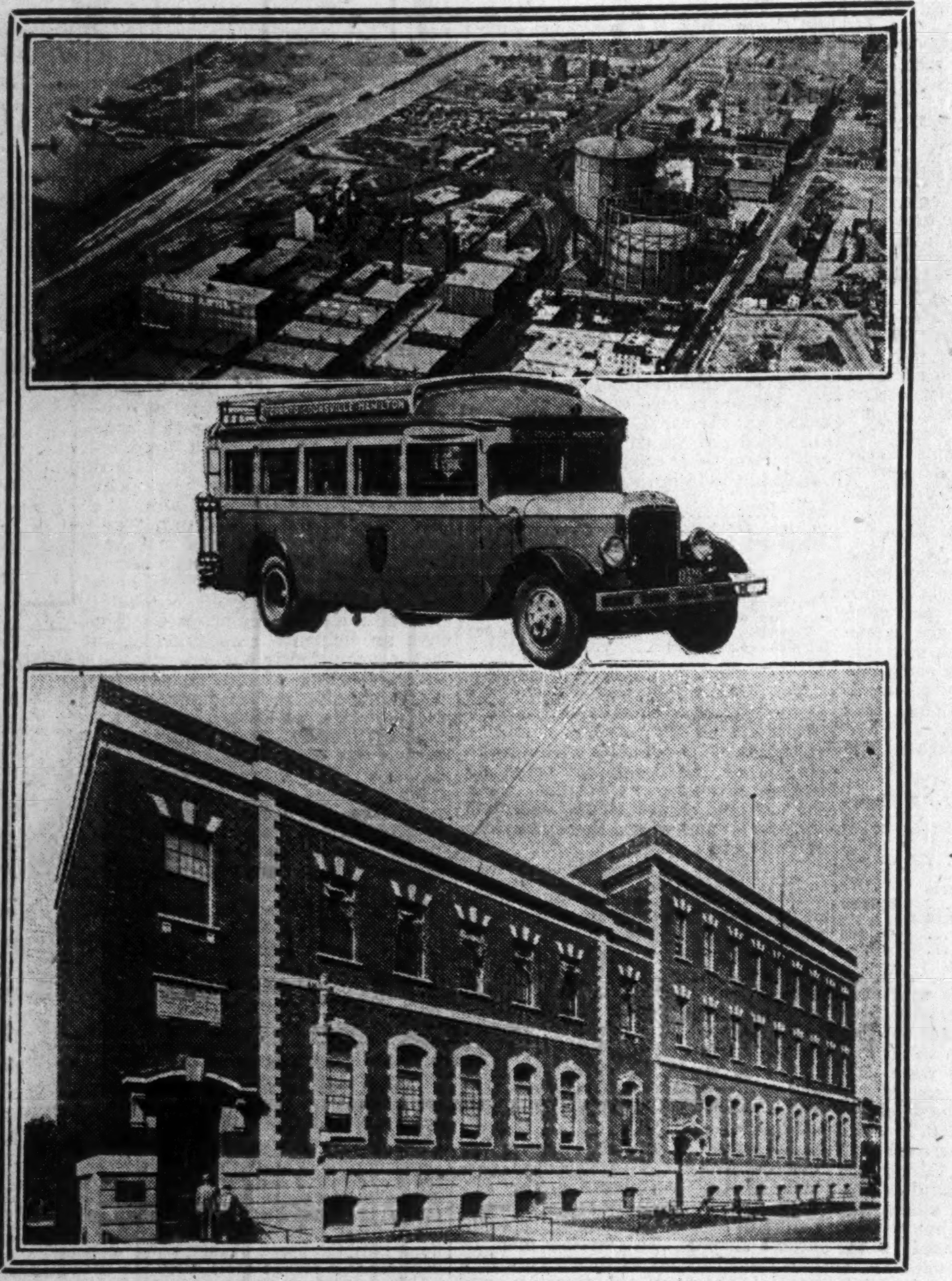
A great share of these millions go into the pockets and bank accounts of the people who constitute the major buying power in the Quebec city market. They constitute the executive and professional groups who manage and direct the business and industrial affairs of Quebec.

They ::: and their families ::: exert strong social leadership, too. Their buying habits set the buying fashion for thousands. Their selection of *your* goods means successful sales throughout the entire market.

Whatever the language of their birth, these market leaders read the *newspaper of new Quebec*—the Chronicle-Telegraph, because it is edited with a broad vision of leadership. Advertising in the Chronicle-Telegraph unlocks the great treasury of this market.

Quebec's electric power creates wealth in other ways, too. It turns the wheels of many factories which make profits, buy materials and pay wages and salaries in Quebec city. Thirty-five million dollars was the value of the products made in Quebec city manufactories last year.

Chronicle-Telegraph
QUEBEC
For advertising rates in the Newspaper of New Quebec address E. G. Smith, General Manager, Quebec, P.Q.



Above: An aerial view of one of the manufacturing plants of the Consumers' Gas Company.
Middle: One of the new models of the many Grey Coach Line buses supplying a service to near-by towns and cities.
Below: Toronto has seventeen Branch Telephone Exchanges. This is the new building housing Lombard Exchange.

TORONTO'S PUBLIC UTILITIES

TORONTO is served by public utilities that have brought credit to the city and have contributed in a large measure to the city's phenomenal growth in the last ten years.

By means of these services the life of Toronto has been immeasurably speeded up, and comforts and conveniences, unknown of old, have been brought to the entire population.

Under present civilization, a modern city requires certain services rendered to its citizens. They must have light for their homes, and power for their factories. They must have water to drink and gas to cook by. They must have rapid and low cost transportation from one part of the city to the other. They must have the means of communicating with each other without the necessity of making long trips to get within hailing distance.

In the excellence of all her public utility services, Toronto ranks high on this continent, and in the world.

There is not a single decrepit, undernourished public utility in Toronto, and not one that is failing to give good service. Costs in every case compare favorably with costs of similar services in other cities.

The oldest of Toronto's utilities is the Consumers' Gas Co., which has served the city with gas for 82 years. At the present time 168,000 meters are installed, and approximately 22,000,000 cubic feet of gas are used daily. The number of meters now installed shows an increase over 1929 of 3,326. Year by year more gas is being sold for domestic and industrial purposes.

Electricity for light and power has been available for many years at low cost because of the city's happy proximity to the mighty Niagara. In the last ten years the use of electricity in Toronto has increased nearly 400 per cent. The Toronto Hydro-Electric System is the largest municipal electric undertaking on the continent, serving over 168,000 customers.

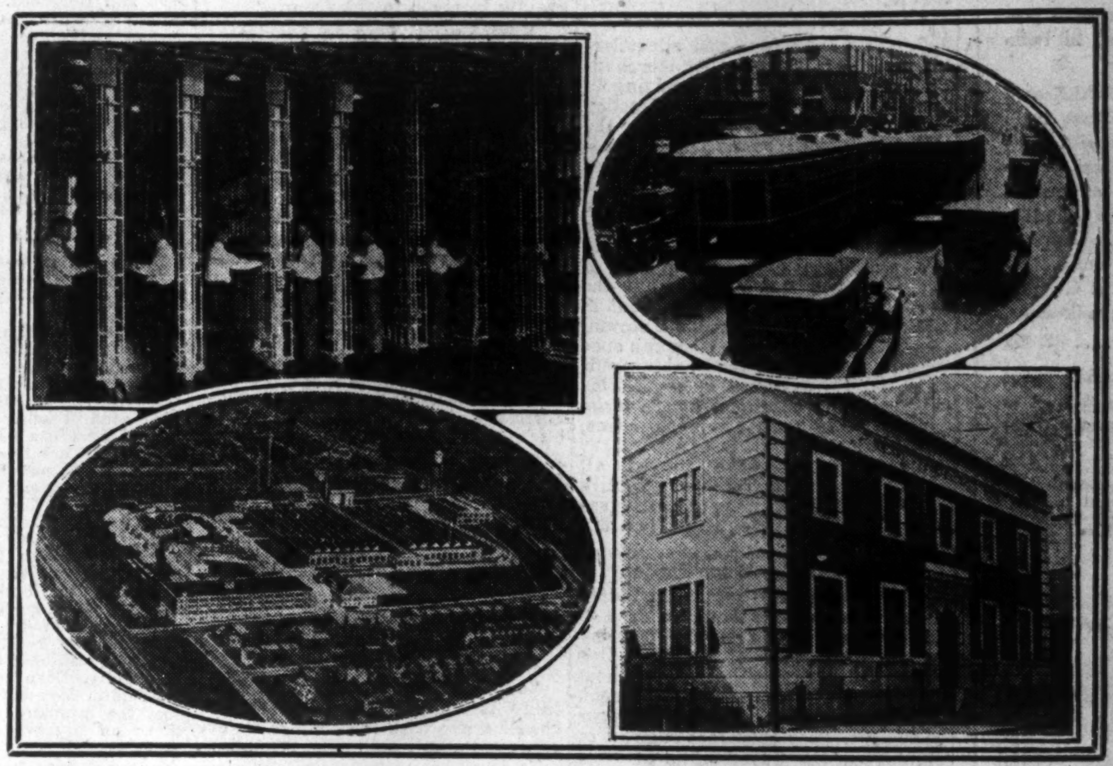
An electric railway service has been provided in Toronto since electricity was first used to operate street cars. The present system, operated by the city, as the Toronto Transportation Commission, serves an area of 34 square miles — Toronto proper and the metropolitan area. The universal fare is in force within the city itself, including bus lines, and a passenger can ride 12 miles for 7 cents, with all transfers free. A network of 254 miles of track is owned by the Commission for the use of its street cars. If buses and the inter-urban coach routes of Grey Coach Lines Limited, operating 238 huge modern coaches, are included, the mileage served by the Toronto Transportation Commission totals 913,926 miles. No transportation system in the world has been so completely modernized as the service in Toronto.

Toronto was one of the first cities in the world to enjoy telephone communication. Today, 80 per cent of its homes possess telephones. Toronto leads the world in the number of residence installations per capita. More instruments are in use in Toronto than in any other city in Canada. The average number of telephone calls handled between the hours of ten and eleven every day is 200,000. Toronto has the largest long distance switchboard in Canada — 12,000 calls outgoing every day, and approximately 25,000 incoming. Toronto telephone service is low in cost and superlative in its general excellence. The large number of telephones in use indicates the high level of prosperity in the city.

Each utility in Toronto serves not the city alone, but the entire metropolitan area. Each is growing rapidly. Millions of dollars are invested yearly in new services and equipment.

All the utilities of Toronto, whether privately or publicly owned, are in such a financial position and so generally have the good will of the public, that the raising of new capital is a simple matter. For these reasons, the growth of Toronto will never be retarded by the difficulty of financing needed further expansions of service.

An army no more marches on its stomach, as Napoleon is reported to have stated, than a modern city daily lives by, and grows with, its public utility services. Toronto can take pride in the fact that the growth and expansion of the city are being paralleled and aided by a corresponding development and expansion of these efficient services.



Upper left: One of Toronto's new automatic switchboards. Sixty-one per cent of Toronto's telephone service is now automatic.
Lower left: Aerial view of the Hillcrest Barns of the Toronto Transportation Commission.
Upper right: All steel street cars of the T.T.C.
Lower right: The new Parkdale sub-station of the Toronto Hydro. This is one of many.

The Story of Toronto

Sixth of a series of twelve advertisements describing the City of Toronto prepared by The Financial Post. The undermentioned public spirited citizens, firms and institutions have made possible this series.

The Bell Telephone Company of Canada

Canadian Terminal System, Limited
Terminal Building, Toronto

The Consumers Gas Company of Toronto

Durant Motors of Canada Limited
"A Good Car"

The T. Eaton Company, Limited
Departmental Store

George H. MacDonald Limited
National Advertising

The Office Specialty Mfg. Co. Limited
Manufacturers of complete office equipment in both wood and steel.

Royal Winter Fair
Unique among exhibitions for broad scope and varied interest. "Canada on Parade."

The King Edward Hotel Co., Limited

Stanley and Bosworth
"The English Shop"
Tailors, Shirtmakers, Outfitters

Service Engravers Limited
Engravers to The Financial Post

Laura Secord Candy Shops Limited

Toronto Industrial Commission

Toronto Ready Mix Concrete Limited
Transit Mixed Concrete